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USPS-T-36

BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

POSTAL RATE AND FEE CHANGES, 2000

Docket No. R2000-1

DIRECT TESTIMONY
OF
MICHAEL K. PLUNKETT
ON BEHALF OF
UNITED STATES POSTAL SERVICE

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AUTOBIOGRAPHICAL SKETCH

My name is Michael K. Plunkett. I am currently an economist in the Pricing Office of Marketing. I began working for the Postal Service in 1984 as a letter carrier at the Dracut, Massachusetts Post Office. In 1985, I transferred to the Manchester, New Hampshire Division where I held a number of positions in customer services operations. In 1990, I was accepted to the Management Intern program. As an intern, I rotated through a number of short to medium term assignments in various organizational units throughout the country. These assignments included positions in headquarters, area, and district offices in finance, human resources, operations, and marketing. In 1995, I transferred to the office of Budget and Financial Analysis where I served as an Economist. In February 1997, I transferred to the office of Pricing. My responsibilities include all aspects of fee design for various special services.

I received bachelor's degrees in finance and economics from Pennsylvania State University in University Park, Pennsylvania, and a master's degree in business administration from the Wharton School at the University of Pennsylvania, where I concentrated on finance and decision sciences.

I have presented pricing testimony in four previous dockets. I was the Postal Service's pricing witness in the Provisional Packaging Service case (Docket No. MC97-5), and in the last omnibus rate case (Docket No. R97-1), for various special services. In addition, I presented pricing testimony in the Market Test/Experimental case for Mailing Online (Docket No. MC98-1), and I am currently the pricing and policy witness in the Experimental case for Mailing Online (Docket No. MC2000-02).

1 **I. PURPOSE OF TESTIMONY AND GUIDE TO DOCUMENTATION**

2 The purpose of this testimony is to describe the Postal Service's proposed
3 changes in the rates, service offerings, and classifications for Parcel Post and
4 Express Mail. An electronic version of my attachments is found in Library
5 Reference I-176.

6 **II. Express Mail**

7 **A. Product Characteristics**

8 **1. General Description of Service**

9
10 Express Mail is a premium service offering guaranteed next-day and
11 second-day delivery nationwide. If guaranteed performance standards are not
12 met, postage will be refunded. There are four service options: Next Day and
13 Second Day Post Office to Addressee Service, Next Day and Second Day Post
14 Office to Post Office Service, Custom Designed Service, and Same Day Airport
15 Service. Same Day Airport Service is currently suspended for security reasons.

16 Any mailable matter weighing up to 70 pounds, but not exceeding 108
17 inches in length and girth, may be sent as Express Mail. In February 1992, the
18 Postal Service initiated Computerized Tracking and Tracing, which provides
19 customers information on the acceptance, arrival at the destination post office,
20 and the delivery of Express Mail.

21 Express Mail rates are unzoned and rounded to the nearest nickel. A
22 letter rate for items weighing up to eight ounces is available. For Post Office to
23 Addressee or Post Office to Post Office Services, an envelope rate for pieces
24 that fit into the standardized flat-rate envelope supplied by the Postal Service is

1 offered at the two-pound rate. In 1998 Express Mail accounted for 0.03 percent
2 of total volume and 1.4 percent of total revenue.

3 **2. Express Mail Service Options**

4 **a) Post Office to Addressee**

5 Next Day Post Office to Addressee Service is available for
6 overnight delivery from designated originating areas or locations. Second Day
7 Post Office to Addressee Service is available to any domestic destination to
8 which guaranteed Next Day delivery service is not available from the given
9 originating office. The Postal Service will refund postage for qualifying Next Day
10 Post Office to Addressee pieces that are not delivered by noon or 3:00 p.m. of
11 the next day, and for qualifying Second Day pieces not delivered by noon or 3:00
12 p.m. of the second day, depending on the service guaranteed to the destination
13 address.¹ Approximately 98 percent of all Express mail volume is Next Day or
14 Second Day Post Office to Addressee Service.

15 **b) Next Day and Second Day Post Office to Post Office Service**

16 Next Day Post Office to Post Office Service is available from
17 designated 3-digit ZIP code areas for overnight service to designated post
18 offices. Second Day Post Office to Post Office Service is available to designated
19 post offices not guaranteed overnight service. The Post Office will refund
20 postage for Next Day Post Office to Post Office pieces that are not available for

¹ See Domestic Mail Manual at E500.5.3 at E-87 for acceptance time requirements for Next Day. See Domestic Mail Manual at E500 6.2 at E-87 for acceptance time requirements for Second Day. See Domestic Mail Manual Domestic Mail Manual, D500, 1.3 at D-33 for service objectives and refund conditions.

1 claim by 10:00 a.m. of the next day the post office is open for retail business.

2 Postage will be refunded for Second Day Post Office pieces not available for

3 claim by 10:00 a.m. of the second day the destination office is open for retail

4 business. Less than one percent of Express mail volume is Second Day Post

5 Office to Post Office pieces.

6 **c) Custom Designed Service**

7 Custom Designed Service is available only on a scheduled basis for

8 mailable matter tendered in accordance with a service agreement. For each

9 Custom Designed shipment that is tendered, the service agreement specifies the

10 scheduled day and date and places of origin and designation, which may be

11 virtually any location in the United States. Approximately one percent of Express

12 Mail is Custom Designed Service.

13 Except where a service agreement provides for claim, or delivery, of

14 Custom Designed Express Mail more than 24 hours after scheduled tender at

15 point of origin, the Postal Service will refund postage for such mail not available

16 for claim, or not delivered, within 24 hours of mailing.²

17 **d) Same Day Airport Service**

18 Same Day Airport Service is currently suspended for security reasons. In the

19 event that circumstances may in the future permit the Service to be made

20 available again, the Postal Service is maintaining Same Day Airport Service in

21 the DMCS. As designed, Same Day Airport Service is available between

22 designated airport mail facilities. Mail tendered under this service is dispatched

on the next available transportation to the destination airport facility. The Postal Service will refund postage for those pieces which are not available for claim at the destination mail facility at the specified time. ³

Table 1

EXPRESS MAIL VOLUME 1/ 2/
(thousands of pieces)

<u>Fiscal Year</u>	<u>Total</u>	<u>Custom Designed 3/</u>	<u>Next Day 4/</u>	<u>Same Day Airport 5/</u>	<u>6/ International</u>	<u>Express Mail Metro Service 7/</u>
1970	—	—	—	—	—	—
1971	8	8	—	—	—	—
1972	63	49	12	—	2	—
1973	212	159	45	—	8	—
1974	425	314	99	—	12	—
1975	788	558	209	—	21	—
1976	1,794	820	940	—	34	—
1977	5,401	1,415	3,877	42	67	—
1978	7,820	1,521	5,951	245	103	—
1979	12,512	1,841	10,002	494	168	7
1980	17,477	1,933	14,506	691	337	10 8/
1981	23,848	2,174	20,343	805	526	—
1982	28,446	2,416	24,522	810	698	—
1983	36,798	2,476	32,602	842	878	—
1984	43,907	2,311	39,778	729	1,088	—
1985	45,250	1,932	41,464	542	1,311	—
1986	41,406	1,566	38,124	404	1,312	—
1987	44,508	1,392	41,365	362	1,389	—
1988	45,966	1,098	42,762	260	1,846	—
1988r	47,477	1,182	44,185	264	1,846	—
1989	55,855	1,023	52,059	224	2,547	—
1990	62,092	931	57,438	213	3,510	—
1991	61,885	340	56,894	72	4,079	—
1992	57,568	771	52,374	31	4,392	—
1993	57,098	718	51,614	46	4,718	—
1994	61,309	674	55,469	49	5,116	—
1995	62,112	603	56,044	44	5,422	—
1996	64,070	599	56,974	0	6,497	—
1997	69,709	529	63,104	3	6,073	—
1998	71,636	492	65,752	3	5,389	—

1/ Established as a permanent class of service in October 1977.

2/ Volume based on Postal Fiscal Year through 1987; GFY thereafter.

3/ Introduced June 1970.

4/ Introduced September 1971.

5/ Introduced December 1976.

6/ Introduced June 1971.

7/ Introduced May 1979.

8/ Express Mail Metro Service discontinued May 17, 1980.

r = Recast 1988 data and following years include penalty and franked with service categories.

(...continued)

² See Domestic Mail Manual, D500, 1.2 at D-33 for service objectives and refund conditions.

³ See Domestic Mail Manual, D500, 1.1 at D-33 for service objectives and refund conditions.

3. Volume Trends

As Table 1 above indicates, Express Mail volume grew at a rapid rate between its inception in FY 1971 and FY 1985, when volume growth slowed to three percent. In FY 1986, volume declined nine percent. This was the first year Express Mail experienced an annual decline in volume. This reversal of trend was the result of a 15 percent increase in rates in February 1985, followed by the introduction of a \$8.50 Next Day letter rate by United Parcel Service and a \$11.00 letter rate by FedEx. In addition, the impact of deregulation of certain aspects of the airline industry (often referred to as CAB Sunset) on service quality contributed to the decline in Express Mail volumes.

Express Mail rebounded from 1986 to 1990. In part, the volume increase was due to the implementation of the Eagle network, a hub-and-spoke network of leased aircraft dedicated to moving expedited products, which enabled the Postal Service to provide much more reliable service for Express and Priority Mail between major markets, and to offer guaranteed morning delivery for Express Mail within designated areas. In 1988, as a result of Docket No. R87-1, a number of improvements and new features were introduced: unzoned rates for all weights, the introduction of a letter rate for Express Mail weighing eight ounces or less, on-call pickup, guaranteed next morning service, and the establishment of Second Day Service. In 1989, a new Eagle network contract was awarded with expansion to 31 major markets. As a result of the enhancements to the product offering, Express Mail was able to recover somewhat in 1989 and 1990.

On February 3, 1991, as a result of Docket No. R90-1, Express Mail rates were increased by an average of 15 percent. As a result, volume declined in FY 1991, and in each of the next two fiscal years. Since that time however, Express Mail volume has grown at an average annual rate of 4.6 percent while overall mail volume growth has averaged 2.5 percent. Volume growth has increased despite

1 the fact that Express Mail rates were again increased by eight percent as a result
2 of Docket No. R94-1. The effect of rate increases resulting from Docket No. R97-
3 1 can not yet be measured directly; however, the before rates volume forecast
4 (USPS-T-8, Table 1) calls for test year before rates volume to be approximately
5 unchanged from FY 1998.

6 4. Rate History

7 Express Mail began as an experimental service in 1970, with permanent
8 rates established in 1977. As a result of Docket No. R80-1, uniform two-pound
9 rates were introduced in 1981. In Docket No. R84-1, the Commission
10 recommended a 15 percent overall rate increase, with the two-pound rate
11 increasing from \$9.25 to \$10.75 and the introduction of a uniform five-pound
12 rate. In Docket No. R87-1, unzoned rates were established for all weight
13 increments, a letter rate of \$8.75 was introduced for Next Day pieces weighing
14 eight ounces or less and the Next Day two-pound rate was raised to \$12.00, and
15 the five-pound rate was raised to \$15.25. The charge for pickup or delivery was
16 lowered from \$5.60 to \$4.00 per pickup. The overall rate increase for Express
17 Mail in Docket No. R87-1 was 1.9 percent. As a result of Docket R90-1, an
18 envelope rate paid at the two-pound rate was introduced and one-pound rate
19 increments were re-established for pieces weighing between two and five
20 pounds. The letter rate was increase from \$8.75 to \$9.95, the pickup fee was
21 raised from \$4.00 to \$4.50, and the overall Express Mail rates were increased by
22 15 percent. In Docket R94-1, Express Mail rates were raised by eight percent.
23 The Post Office to Addressee letter rate was increased from \$9.95 to \$10.75,
24 and the pickup fee was raised from \$4.50 to \$4.95. Express Mail rates
25 increased by 8.1 percent in Docket No. R97-1, with the Post Office to Addressee
26 letter rate increasing from \$10.75 to \$11.75, and the pickup fee increasing from

1 \$4.95 to \$8.50. A complete rate history for Express Mail is available in Library
2 Reference I-118.

3 **B. Financial Summary**

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Table 2:

Test Year Revenue and Cost Summary

Line No. Test Year Before Rates

1	Volume (USPS-T-x)	71,641,067
2	Postage Revenue at Current Rates	\$1,014,584,044
3	Average Revenue Per Piece	\$14.16
4	Pickup Revenue	<u>\$4,912,530</u>
5	Total Revenue	\$1,019,496,573
6	Cost with no contingency (USPS-T-xx)	465,006,000
7	Contingency Factor (USPS-T-X)	1.025
8	Cost with contingency (Line 6 x Line 7)	\$482,577,624
9	Coverage Before Rates (Line 5 divided by Line 8)	210%

Test Year After Rates

		% Change From Before Rates
10	Volume (USPS-T-X)	72,300,901 0.9%
11	Revenue at Proposed Rates (excludes pickup reven	\$1,062,407,077 4.7%
12	Average Revenue Per Piece	\$14.69 3.76%
13	Pickup Revenue	<u>\$6,159,661</u> 25.4%
14	Total Revenue	\$1,068,566,737 0.9%
15	Cost with no contingency (USPS-T-15, WP G, Table	\$ 469,253,000
16	Cost with Contingency (Line 9 x Line 3)	\$ 486,855,728 3.8%
17	Coverage After Rates (Line 8 / Line 10)	218%

7

8 In the test year, Express Mail is projected to produce a cost coverage of
9 210 percent before rates, with revenues of just over \$1 billion, and costs of \$483
10 million including contingency. The effect of the proposed rates is to increase
11 revenue by \$48 million. Costs increase slightly due to a modest volume
12 increase. As a result, cost coverage after rates increases to 218 percent.

1 **C. Rate Design**

2 Witness Mayes proposes a 218 percent cost coverage for Express Mail
3 (USPS-T-32). Existing rates in the test year would result in a cost coverage of
4 210 percent. To meet this cost coverage, target Express Mail rates must be
5 increased by 3.76 percent.

6 I propose no structural changes to the Express Mail rate schedule.
7 Because the Same Day Airport to Airport Service has been suspended, I have
8 not proposed changes to the existing rates.

9 The cost base underlying the rate design is developed as follows: Test
10 year Express Mail costs (USPS-T-29) are separated among distance, non-
11 distance related transportation cost, and non-transportation cost (Attachment A).
12 Distance-related transportation costs are distributed to zones by service category
13 based on the distribution of FY98 pounds to zones. Zone 2 through zone 4
14 pounds for Next Day and Custom Designed are split between air and surface
15 pounds based on the allocation percents that have been used since Docket No.
16 R87-1. All Same Day pounds are by definition air pounds. All zone 5 through
17 zone 9 Next Day and Custom Designed pounds are assumed to travel by air.
18 Non-distance-related costs are distributed to Next Day and Custom Designed
19 total pounds. Transportation cost per pound for Same Day, and Next Day and
20 Custom Designed is then calculated. Finally, a non-transportation weight-related
21 cost of two cents per pound is added to the transportation cost per pound and
22 adjusted by the contingency factor to arrive at a total cost per pound.
23 (Attachment A).

24 The non-transportation weight-related cost is subtracted from the non-
25 transportation cost. Piece-related unit cost is developed by dividing the resultant
26 costs by total pieces. I rely on witness Campbell's Express Mail cost study
27 update (USPS-T-29) to apportion piece-related costs to the service options.

1 (Attachment A, p.5). Weight-related costs are distributed to rate cells based on
2 postage weight. The markup of proposed rates above costs and the percent
3 increase for each rate element formed the basis for designing rates.

4 The rate increases for each rate element were constrained to be no more
5 than 4.5 percent consistent with rounding constraints, rates were rounded up to
6 the nearest nickel and rates for Post Office to Addressee are set to be at least
7 twice the Priority Mail rates for zone 5. All rate elements cover cost. The popular
8 letter rate, which accounts for 78 percent of all Express Mail volume, is proposed
9 to be increased from \$11.75 to \$12.30, an approximate 4.7 percent increase. In
10 a number of cells in each category, particularly for pieces weighing between 20
11 and 35 pounds, I manually adjusted rates to preserve reasonable relationships
12 between adjacent weight cells.

13 14 **III. PARCEL POST**

15 16 **A. Product Characteristics**

17 Parcel Post currently includes mailable matter weighing 16 ounces or
18 more but not exceeding 70 pounds or 130 inches in combined length and girth,
19 and not eligible for any other Standard Mail subclass. The current rate structure
20 for Parcel Post is based on the weight and machinability of the piece, the
21 distance between origin and destination three-digit ZIP Codes as measured by
22 zones. Separate rate categories are applicable dependent upon whether the
23 parcel is mailed and delivered within a bulk mail center (BMC) or auxiliary service
24 facility (ASF) service area. Library References I-117 and I-118 include volume,
25 revenue and rate histories for all domestic classes and subclasses of mail,
26 including Parcel Post.

27 The Postal Service is renaming Standard Mail (B) as Package Services.

1 The Postal Service has been using the term Parcel Select to refer to destination
2 entry Parcel Post. The Postal Service is proposing that the Commission
3 recommend conforming changes in the DMCS. For the sake of convenience in
4 this docket, I have continued to use the current names within my testimony and
5 workpapers.

6 **B. Brief History of Parcel Post Rate Design**

7 The rate design for Parcel Post immediately following Postal
8 Reorganization was a fairly simple one, with rates varying by pound increment
9 from two to seventy pounds, and by eight postal zones and the local zone as
10 measures of distance traveled from origin to destination three-digit ZIP Codes.
11 Parcels weighing less than 10 pounds, but measuring over 84 inches in
12 combined length and girth, were charged rates equal to the rates for ten-pound
13 parcels for the zone to which they were addressed. This "stop-loss" or "balloon"
14 charge was changed in 1975 to apply the applicable 15-pound rates to pieces
15 measuring more than 84 inches in combined length and girth but weighing less
16 than 15 pounds.

17 The rate design for Parcel Post changed in several ways as a result of
18 Docket No. R80-1. The rate structure began differentiating between parcels
19 entered within the service area of a BMC—intra-BMC pieces—and parcels
20 entered for delivery outside of the origin BMC service area—inter-BMC pieces.
21 The rate difference between intra-BMC pieces and inter-BMC pieces was a
22 simple 14-cent per-piece difference. The Docket No. R80-1 rate design also
23 differentiated between machinable and nonmachinable inter-BMC parcels,
24 assessing the latter an additional 50 cents per piece. The "stop-loss" or "balloon"
25 charge previously assessed low-density pieces was removed from the rate
26 design at that time.

1 Parcel Post rate design remained unchanged until Docket No. R90-1,
2 although the sizes of the inter-BMC nonmachinable surcharge and the difference
3 between the intra-BMC and inter-BMC rates increased. As can be seen from
4 Library Reference H-117, Parcel Post volume declined steadily between 1970
5 and 1990. At its low point, Parcel Post volume in 1989 was only 21 percent of
6 the 1970 volume. In Docket No. R90-1, Postal Service witness Nai-Chi Wang
7 proposed discounts from the intra-BMC rate schedule for bulk mailings of at least
8 50 properly prepared parcels entered at the destination bulk mail center (DBMC),
9 with the discounts varying with both weight and zone. The DBMC rates that
10 were implemented as a result of Docket No. R90-1 are shown in Library
11 Reference H-118. In introducing the DBMC proposal, Dr. Wang stated that,
12 "[w]hile the proposed DBMC worksharing program may not arrest the downward
13 trend of parcel post volume, it may open the door to increased competition and
14 satisfy, in part, the needs of high volume mailers." Docket No. R90-1, USPS-T—
15 21, page 18.

16 In fact, the steady decline in Parcel Post volumes turned around in 1990,
17 with an increase in volume of 6 percent. Volume continued to increase each
18 year thereafter until 1995 when the volume fell from the 1994 peak of 224 million
19 pieces to 218 million pieces. The 1994 volume was the highest annual volume
20 since 1978, although it was still less than 40 percent of the 1970 volume. The
21 1996 volume of Parcel Post was 213 million pieces.

22 The reversal of the trend of steadily declining Parcel Post volume cannot
23 be attributed solely to the introduction of the DBMC discounts, but it is worth
24 noting that in 1992, total Parcel Post volume was almost 20 percent higher than
25 in 1991, and 14 percent of the 1992 Parcel Post volume was in the DBMC
26 category. Growth of DBMC volume has continued, and in 1998, more than 66

1 percent of Parcel Post volume was mailed at DBMC rates, while total Parcel Post
2 volume was 92 percent higher than the 1992 level.

3 **C. Recent Changes in Parcel Post Rate Design**

4 In Docket No. R97-1, the Postal Service proposed, and the Commission
5 recommended, extensive revisions to Parcel Post classification and rate design.
6 The changes, which were intended to produce rates better reflective of
7 underlying costs, produced a number of new dropship incentives including
8 separate rate categories for parcels entered at SCFs, Destination Delivery Units
9 (DDU), and Origin BMCs (OBMC) and a reestablishment of a balloon rate for
10 pieces exceeding 84 inches (but not exceeding 108 inches) in combined length
11 and girth, but weighing less than 15 pounds, which now pay the applicable 15
12 pound rate. In addition, the maximum length and girth was increased from 108
13 to 130 inches. Pieces exceeding 108 inches pay an oversize rate. A discount
14 for parcels that are prebarcoded was also established.

15 **D. Proposed Parcel Post Rates**

16 The rate design being proposed in this docket maintains all of the existing
17 rate elements, and adds three additional features. The existing rate structure
18 includes a surcharge for inter-BMC parcels that do not comply with the
19 machinability criteria codified in the Domestic Mail Manual (DMM E630). In this
20 docket I propose establishing similar surcharges for parcels mailed at intra-BMC
21 and DBMC rates as well. In addition I propose removing the existing one pound
22 minimum weight requirement for pieces otherwise mailable at Parcel Post rates.

23 I have not proposed a new rate for pieces weighing less than one pound,
24 rather, the lowest rate in each category would be applicable to all pieces
25 weighing up to two pounds. Witness Kiefer (USPS-T-37) is proposing that a
26 similar change be made for pieces mailable at Bound Printed Matter rates.

1 The rate development process in this docket followed, in large part, the
2 methodologies used by the Commission and previous Postal Service witnesses.
3 The transportation costs as identified by Postal Service witness Eggleston
4 (USPS-T-26), which are incurred primarily on the basis of cube and distance,
5 were distributed to weight and zone separately for intra-BMC, inter-BMC and
6 DBMC, utilizing three independent cube/weight relationships. The rate for each
7 piece includes the two-cent per-pound weight-related nontransportation handling
8 cost applied on the basis of postage pounds to each cell, in keeping with
9 Commission practice. The costs thus allocated through the two-cent per-pound
10 charge were subtracted from the non-transportation costs, and the remaining
11 costs were recovered through the per-piece elements of the rates.

12 The preceding describes the first phase of the rate design process I
13 employed, and it is largely consistent with the rate design employed by Postal
14 Service witnesses in prior dockets. In many cases, however, this method would
15 have resulted in rate increases that were excessive. Conversely, rates in certain
16 zones and categories would have received large discounts, while the majority of
17 rates were increasing.

18 Moreover, two new rate categories were created in Docket No. R97-1:
19 DSCF and DDU. As these rates were not in effect during the base year, there is
20 little empirical data with which to evaluate the existing rates. Consequently,
21 drastic rate changes in these categories would be likely to hamper understanding
22 of the extent to which these destination entry discounts have benefited parcel
23 post mailers.

24 Therefore, in the second phase of rate development, I imposed
25 constraints in order to mitigate rate changes. Rates have been constrained such
26 that no rate is allowed to increase by more than 10 percent. Moreover, for the

1 newest rate categories, rate changes were restricted so that no rate could
2 change by more than 2 percent in either direction.

3 **E. Additional Rate Elements**

4 As mentioned above, I am proposing that non-machinable surcharges,
5 which currently apply to inter-BMC rates, be applied to all pieces that, by virtue of
6 the rate category into which they fall, can be assumed to receive a BMC
7 handling. For that reason, I propose new surcharges for the intra-BMC and
8 DBMC categories.

9 The basis for the surcharges is the cost analysis of witness Eggleston that
10 contains, among other studies, separate estimates of additional costs incurred
11 by non-machinable pieces in the DBMC and intra-BMC categories. Witness
12 Eggleston's analysis clearly demonstrates a cost difference for non-machinable
13 pieces in these categories; however, passing through 100 percent of the costs
14 would result in rate changes that are excessive given the magnitude of rate
15 changes I propose for these categories generally. Therefore, I have chosen to
16 pass through 35 percent of the costs associated with handling non-machinable
17 pieces in the DBMC and intra-BMC categories, resulting in surcharges of 45 and
18 40 cents, respectively, after rounding. Over time, a greater percentage of the
19 handling costs can be phased in to more perfectly reflect cost differentials.

20 In all other cases, I have developed surcharges and discounts applicable to
21 Parcel Post by passing through 100 percent of the relevant cost differential and
22 rounding to the nearest cent. A table with a complete list of these rate elements
23 is appended in my Attachment H below.

24 **F. Pickup Fee**

25
26
27 Pickup service was expanded to Parcel Post and Priority Mail in Docket No.
28 R90-1, for a charge of \$4.50 per pickup stop. DBMC mail was excluded from

1 pickup service because of the requirement that the mailer enter such mail at the
2 destination BMC. The charge for pickup service was increased to \$4.95 per
3 pickup stop in 1995. In Docket No. R97-1, in order to ensure that pickup
4 revenues would cover costs, the fee was raised from \$4.95 to \$8.25.

5 As is described in the testimonies of Postal Service witnesses Robinson
6 (USPS-T-34) and Campbell (USPS-T-19), analysis of the costs underlying the
7 pickup fee indicates that the current fee of \$8.25 is no longer sufficient to recover
8 the costs associated with picking up a parcel or parcels at a customer's location.
9 Consequently, a fee of \$10.25 has been proposed. The revenue for Parcel Post
10 associated with the change in the pickup fee has been incorporated into my
11 financial analyses and is shown in my attachment J below.

ATTACHMENT A POUND DISTRIBUTION BY ZONE/MODE

USPS-T-36

TEST YEAR BEFORE RATES

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Air Postage Pounds 1/

	Next Day <u>FY98</u>	Next Day <u>TYBR</u>	Custom Designed <u>FY98</u>	Custom Designed <u>TYBR</u>	FY 98 <u>Total</u>	TYBR <u>Total</u>
Zone 2	871,348	942,338	237,932	257,317	1,109,280	1,199,655
Zone 3	5,388,410	5,827,414	1,025,631	1,109,192	6,414,041	6,936,605
Zone 4	9,826,735	10,627,337	2,020,312	2,184,910	11,847,046	12,812,248
Zone 5	11,334,137	12,257,551	1,884,916	2,038,484	13,219,054	14,296,035
Zone 6	9,000,948	9,734,273	732,602	792,288	9,733,550	10,526,561
Zone 7	7,123,738	7,704,123	302,675	327,335	7,426,414	8,031,458
Zone 8	7,112,561	7,692,035	515,774	557,795	7,628,335	8,249,830
Zone 9	<u>6,586,392</u>	<u>7,122,998</u>	<u>820,136</u>	<u>886,954</u>	<u>7,406,528</u>	<u>8,009,952</u>
Total	57,244,269	61,908,069	7,539,979	8,154,275	64,784,248	70,062,344

Surface Postage Pounds 2/

	Next Day <u>FY98</u>	Next Day <u>TYBR</u>	Custom Designed <u>FY98</u>	Custom Designed <u>TYBR</u>	FY 98 <u>Total</u>	TYBR <u>Total</u>
Zone 2	10,131,622	10,957,064	481,909	521,171	10,613,531	11,478,235
Zone 3	1,407,047	1,521,682	265,498	287,128	1,672,545	1,808,810
Zone 4	217,960	235,717	12,694	13,728	<u>230,654</u>	<u>249,445</u>
Total	11,756,628	12,714,463	760,101	822,027	12,516,729	13,536,491
<u>% Air Pounds:</u>	83.0%	83.0%	90.8%	90.8%		83.8%

- 1/ All Same Day Airport postage pounds are assigned to air postage pounds.
All next Day and Custom Designed postage pounds going to Zones 5 through 9 are assigned to air pounds. Next Day and Custom Designed postage pounds going to Zones 2 through 4 are allocated between air and surface pounds according to the share each zone in each service as presented in Docket No. R87-1, USPS-18X, page 3 as follows:

Zone	<u>Next Day</u>		<u>Custom Designed</u>			
	<u>Surface</u>	<u>Air</u>	<u>% Air</u>	<u>Surface</u>	<u>Air</u>	<u>% Air</u>
2	13,771,102	1,184,353	7.92%	1,469,663	725,614	33.05%
3	2,106,392	8,066,612	79.29%	620,737	2,397,943	79.44%
4	286,151	12,901,135	97.83%	33,227	5,288,230	99.38%
Total	16,163,644	22,152,101		2,123,628	8,411,786	

- 3/ Postage pounds that were not assigned to air postage pounds.

DISTRIBUTION OF TRANSPORTATION COSTS

TEST YEAR BEFORE RATES

Page 2 of 5

Line No.

1	Total TYBR Postage Pounds (USPS-33G)	77,300,977
2	Total TYBR Air Postage Pounds (USPS-33G)	64,784,248
3	Domestic TYBR Air Costs (USPS 33I)	<u>\$ 46,651,000</u>
4	Air Cost per Pound (Line 3 / Line 2)	0.720098
7	TYBR Surface Postage Pounds (Line 1 - Line 2)	12,516,729
8	TYBR Surface Costs (USPS-33I)	<u>\$ 12,834,212</u>
9	Distance-Related Cost Per Pound (Line 8 / Line 15)	1.025365
11	TYBR Volume	71,641,067
10	TYBR Non-Distance Related Costs (USPS-33I TYBR Sur. - Line 8)	<u>\$ 47,089,933</u>
12	Non-Distance Cost Per Piece	0.657304
13	Trans. Cost Check sum (Line 3 + Line 8 + Line 10)	106,575,145
14	Postage Pounds Check sum (Line 2 + Line 7)	77,300,977

	Transportation Cost per Pound (1)	Nontransportatic \$0.02 Add-On (2)	Contingency (3)	Cost per Pound Contingency ((1)+(2))*(3)
16	\$0.77	\$0.02	0.03	\$0.81

ATTACHMENT A

Distance Related Transportation Charges by Zone

\$/Pound

Page 3 of 5

USPS-T-36

Zone	Custom Designed				Next Day			
	Average Air charge	Average Surface charge	Non Tran	Total	Average Air charge	Average Surface charge	Non Tran	Total
2	\$ 0.238	\$ 0.686	\$ 0.020	\$ 0.944	\$ 0.057	\$ 0.944	\$ 0.020	\$ 1.021
3	\$ 0.572	\$ 0.211	\$ 0.020	\$ 0.803	\$ 0.571	\$ 0.212	\$ 0.020	\$ 0.803
4	\$ 0.716	\$ 0.006	\$ 0.020	\$ 0.742	\$ 0.704	\$ 0.022	\$ 0.020	\$ 0.747
5	\$ 0.720	\$ -	\$ 0.020	\$ 0.740	\$ 0.720	\$ -	\$ 0.020	\$ 0.740
6	\$ 0.720	\$ -	\$ 0.020	\$ 0.740	\$ 0.720	\$ -	\$ 0.020	\$ 0.740
7	\$ 0.720	\$ -	\$ 0.020	\$ 0.740	\$ 0.720	\$ -	\$ 0.020	\$ 0.740
8	\$ 0.720	\$ -	\$ 0.020	\$ 0.740	\$ 0.720	\$ -	\$ 0.020	\$ 0.740
9	\$ 0.720	\$ -	\$ 0.020	\$ 0.740	\$ 0.720	\$ -	\$ 0.020	\$ 0.740

1/ Exhibit-33D

2/ All Same Day Airport postage pounds are assigned to air postage pounds.

All next Day and Custom Designed postage pounds going to Zones 5 through 9 are assigned to air pounds. Next Day and Custom Designed postage pounds going to Zones 2 through 4 are allocated between air and surface pounds according to the share each zone in each service as presented in Docket No. R87-1, USPS-18X, page 3 as follows:

Zone	Next Day			Custom Designed		
	Surface	Air	% Air	Surface	Air	% Air
2	13,771,102	1,184,353	7.92%	1,469,663	725,614	33.05%
3	2,106,392	8,066,612	79.29%	620,737	2,397,943	79.44%
4	286,151	12,901,135	97.83%	33,227	5,288,230	99.38%

Total 0 0 0

Check

3/ Postage pounds that were not assigned to air postage pounds.

ATTACHMENT A
Test Year Per Piece Cost Development
Page 4 of 5

USPS-T-36

Line No.		Note	
1	TYBR total Express Mail Cost (Table 2 Line 4)	1	\$465,006,000
2	Contingency Factor (Table 2, Line 3)		2.5%
3	TYBR Total Express Mail Cost with Contingency (Lin1 x Line 5)		\$476,631,150
4	TYBR Cost Segment 14 Cost	2	\$77,885,000
5	TYBR Cost Segment 14 with Contingency (Line 3 x Line 5)		\$79,832,125
6	TYBR Pickup Cost	3	\$5,749,328
7	Total Postage Pounds	4	77,300,977
8	Two Cent Pound Charge		\$0.02
9	Total 2 cent Pound Cost (Line 5 x Line 7 x Line 8)	5	\$1,584,670
10	Non-Distance Transportation Costs (Including Contingency)		\$47,089,934
11	Adjusted TYBR CRA with Contingency (Line 1 x Line 5)-Line 4-Line 6-Line 9)		\$436,554,961
	Unit Cost		
	TYBR Volume		71,810,902
	Unit Costs Recovered Through Piece Charges		\$6.08

1/ USPS-T-14

2/ USPS-T-14, Workpaper H

3/ Total number of pickups multiplied by pickup unit cost (USPS-T-34, Attachment I)

4/ Calculated Billing Determinant volume multiplied by appropriate pound weight

5/ Number of pounds X \$0.02

ATTACHMENT A
Test Year Per Piece Cost Development
Page 5 of 5

USPS-T-36

Avg Cost per Piece-->	Source Attachment A page 4	\$6.08
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<u>Service</u>		Variance From Avg.
Custom Designed	USPS-T-29	-\$1.463
Post Office to Post Office	USPS-T-29	-1.751
Post Office to Addressee	USPS-T-29	0.023

		Adjusted Costs
Custom Designed	Average less Variance	\$ 4.62
Post Office to Post Office	Average less Variance	\$ 4.33
Post Office to Addressee	Average less Variance	\$ 6.10

ATTACHMENT B
EXPRESS MAIL PICKUP REVENUES

	Base Year - FY 98			TYBR (FY 2001)			TYAR		
	Scheduled	On-Call	Total	Scheduled	On-Call	Total	Scheduled	On-Call	Total
<u>Post Office to Addressee</u>									
Number of Stops	29,231	325,771	355,001	31,211	347,846	379,057	31,641	352,638	384,279
Fee	\$ 4.95	\$ 4.95	\$ 4.95	\$ 8.25	\$ 8.25	\$ 8.25	\$ 10.25	\$ 10.25	\$ 10.25
Revenue	\$ 144,691	\$ 1,612,565	\$ 1,757,257	\$ 257,493	\$ 2,869,727	\$ 3,127,220	\$ 324,323	\$ 3,614,539	\$ 3,938,862
<u>Custon Designed</u>									
Number of Stops	202,668	-	202,668	216,401	-	216,401	219,383	-	219,383
Fee	\$ 4.95	\$ 4.95	\$ 4.95	\$ 8.25	\$ 8.25	\$ 8.25	\$ 10.25	\$ 10.25	\$ 10.25
Revenue	\$ 1,003,207	\$ -	\$ 1,003,207	\$ 1,785,310	\$ -	\$ 1,785,310	\$ 2,248,672	\$ -	\$ 2,248,672
Total Revenue	\$ 1,147,898	\$ 1,612,565	\$ 2,760,463	\$ 2,042,803	\$ 2,869,727	\$ 4,912,530	\$ 2,572,995	\$ 3,614,539	\$ 6,187,534

Preliminary Rates (Phase 1)			
Express Mail			
Schedules 121, 122 and 123			
Weight Not Exceeding (Pounds)	Schedule 122 Custom Designed	Schedule 123 Next Day and Second Day PO to PO	Schedule 123 Next Day and Second Day PO to Addressee
0.5	\$ 10.05	\$ 9.45	13.20
1	\$ 10.85	\$ 10.35	14.10
2	\$ 11.95	\$ 11.45	15.15
3	\$ 13.55	\$ 13.25	16.90
4	\$ 15.30	\$ 14.95	18.55
5	\$ 16.85	\$ 16.70	20.25
6	\$ 18.45	\$ 18.45	21.85
7	\$ 20.10	\$ 20.05	23.55
8	\$ 21.80	\$ 21.70	25.15
9	\$ 23.40	\$ 23.35	26.70
10	\$ 25.15	\$ 24.95	28.35
11	\$ 26.75	\$ 26.60	30.00
12	\$ 28.40	\$ 28.30	31.60
13	\$ 30.05	\$ 29.90	33.15
14	\$ 31.65	\$ 31.60	34.85
15	\$ 33.25	\$ 33.25	36.50
16	\$ 34.95	\$ 34.65	38.15
17	\$ 36.55	\$ 36.20	39.85
18	\$ 38.20	\$ 37.80	41.45
19	\$ 39.90	\$ 39.50	42.90
20	\$ 41.50	\$ 41.20	44.65
21	\$ 43.15	\$ 42.95	46.25
22	\$ 44.70	\$ 44.70	47.95
23	\$ 46.35	\$ 46.45	49.45
24	\$ 48.00	\$ 48.10	51.20
25	\$ 49.55	\$ 49.70	52.85
26	\$ 51.20	\$ 51.50	54.35
27	\$ 52.70	\$ 53.20	56.10
28	\$ 54.40	\$ 54.85	57.60
29	\$ 55.95	\$ 56.55	59.30
30	\$ 57.50	\$ 58.45	61.30
31	\$ 59.30	\$ 60.10	62.70
32	\$ 60.85	\$ 62.05	64.30
33	\$ 62.45	\$ 63.55	65.90
34	\$ 64.10	\$ 65.50	67.30
35	\$ 65.80	\$ 67.30	69.15
36	\$ 67.15	\$ 68.95	70.70
37	\$ 69.00	\$ 70.95	72.50
38	\$ 71.05	\$ 72.45	74.10
39	\$ 72.15	\$ 74.80	75.60
40	\$ 73.80	\$ 76.45	77.15
41	\$ 75.40	\$ 78.30	78.45
42	\$ 77.30	\$ 80.25	79.45
43	\$ 78.75	\$ 81.80	82.20
44	\$ 80.45	\$ 83.65	83.35
45	\$ 81.95	\$ 85.50	85.35
46	\$ 83.30	\$ 87.55	86.70
47	\$ 85.00	\$ 89.00	88.20
48	\$ 86.55	\$ 91.05	89.85
49	\$ 87.85	\$ 92.85	91.50
50	\$ 89.20	\$ 94.80	93.25
51	\$ 91.05	\$ 96.60	95.10
52	\$ 92.55	\$ 98.65	96.80
53	\$ 94.35	\$ 100.20	97.75
54	\$ 96.15	\$ 102.45	99.85
55	\$ 97.60	\$ 105.25	103.45
56	\$ 99.30	\$ 107.10	103.05
57	\$ 100.45	\$ 110.00	106.45
58	\$ 102.25	\$ 111.50	106.00
59	\$ 103.35	\$ 113.10	107.00
60	\$ 105.20	\$ 116.60	107.45
61	\$ 106.75	\$ 117.50	110.65
62	\$ 108.15	\$ 120.70	112.50
63	\$ 109.80	\$ 122.95	113.30
64	\$ 111.60	\$ 124.90	116.30
65	\$ 114.65	\$ 129.95	117.20
66	\$ 114.50	\$ 131.75	118.60
67	\$ 116.20	\$ 131.90	120.10
68	\$ 118.30	\$ 133.30	122.15
69	\$ 120.10	\$ 131.25	123.85
70	\$ 120.60	\$ 130.10	125.60

% Change From Existing Rates			
Schedules 122, 123 and 123			
Weight Not Exceeding (Pounds)	Schedule 122 Custom Designed	Schedule 123 Next Day and Second Day PO to PO	Schedule 123 Next Day and Second Day PO to Addressee
0.5	5.24%	-2.58%	12.34%
1	-19.93%	-24.45%	-10.48%
2	-11.81%	-16.42%	-3.81%
3	-18.87%	-19.45%	-8.65%
4	-19.69%	-22.14%	-12.71%
5	-22.71%	-23.92%	-15.63%
6	-24.85%	-25.30%	-18.32%
7	-26.10%	-26.69%	-19.90%
8	-23.24%	-23.99%	-17.81%
9	-20.95%	-21.51%	-16.04%
10	-18.34%	-19.38%	-14.09%
11	-17.05%	-17.90%	-12.92%
12	-17.92%	-18.56%	-14.13%
13	-16.18%	-16.94%	-13.90%
14	-14.92%	-15.39%	-11.55%
15	-13.41%	-13.75%	-10.10%
16	-11.96%	-13.05%	-8.95%
17	-10.96%	-12.14%	-7.86%
18	-9.59%	-10.85%	-6.75%
19	-8.38%	-9.61%	-6.23%
20	-7.47%	-8.44%	-5.10%
21	-6.40%	-7.14%	-4.24%
22	-5.60%	-5.89%	-3.23%
23	-4.83%	-4.91%	-2.85%
24	-3.81%	-3.90%	-1.73%
25	-3.22%	-3.21%	-1.03%
26	-2.38%	-2.09%	-0.55%
27	-1.95%	-1.30%	0.27%
28	-1.09%	-0.54%	0.70%
29	-0.62%	0.18%	1.37%
30	-0.17%	1.21%	2.51%
31	0.76%	1.36%	2.70%
32	1.16%	2.90%	3.13%
33	1.71%	3.25%	3.62%
34	2.23%	4.22%	3.70%
35	2.89%	4.99%	4.54%
36	2.91%	5.43%	4.82%
37	3.84%	6.53%	5.61%
38	4.79%	6.62%	5.86%
39	4.49%	8.09%	6.11%
40	4.98%	8.52%	6.41%
41	5.38%	9.21%	6.37%
42	6.04%	9.86%	5.79%
43	6.20%	10.09%	7.66%
44	6.63%	10.65%	7.34%
45	6.78%	11.18%	8.11%
46	6.86%	12.10%	8.17%
47	7.19%	12.02%	8.22%
48	7.45%	12.83%	8.58%
49	7.40%	13.30%	8.93%
50	7.41%	13.94%	9.38%
51	7.88%	14.25%	9.82%
52	8.12%	15.04%	10.25%
53	8.51%	15.04%	9.65%
54	9.01%	15.96%	10.45%
55	9.11%	17.47%	12.88%
56	9.36%	17.76%	10.81%
57	9.18%	19.37%	13.00%
58	9.59%	19.32%	10.99%
59	9.13%	19.24%	10.42%
60	9.36%	21.02%	9.20%
61	9.15%	19.96%	10.65%
62	8.91%	21.37%	10.84%
63	8.93%	21.79%	10.00%
64	8.98%	21.79%	11.19%
65	10.35%	24.89%	10.46%
66	8.53%	24.70%	10.12%
67	8.60%	23.10%	9.98%
68	8.93%	22.57%	10.24%
69	9.08%	19.05%	10.28%
70	8.06%	16.42%	10.37%

Proposed Rates			
Express Mail			
Schedules 121, 122 and 123			
	Schedule 122	Schedule 123	Schedule 123
Weight Not Exceeding (Pounds)	Custom Designed	Next Day and Second Day PO to PO	Next Day and Second Day PO to Addressee
0.5	\$9.25	\$9.40	\$12.30
1	\$13.80	\$13.95	\$16.05
2	\$13.80	\$13.95	\$16.05
3	\$16.65	\$16.80	\$18.85
4	\$19.45	\$19.60	\$21.70
5	\$22.25	\$22.40	\$24.50
6	\$25.05	\$25.20	\$27.30
7	\$27.75	\$27.90	\$30.00
8	\$28.95	\$29.10	\$31.20
9	\$30.20	\$30.35	\$32.45
10	\$31.40	\$31.55	\$33.65
11	\$32.90	\$33.05	\$35.15
12	\$35.30	\$35.45	\$37.55
13	\$36.55	\$36.70	\$39.25
14	\$37.95	\$38.10	\$40.20
15	\$39.15	\$39.30	\$41.40
16	\$40.50	\$40.65	\$42.75
17	\$41.85	\$42.00	\$44.10
18	\$43.10	\$43.25	\$45.35
19	\$44.40	\$44.55	\$46.65
20	\$45.75	\$45.90	\$48.00
21	\$47.00	\$47.20	\$49.40
22	\$48.30	\$48.50	\$50.80
23	\$49.70	\$49.90	\$52.20
24	\$51.10	\$51.30	\$53.60
25	\$52.50	\$52.70	\$55.00
26	\$53.90	\$54.10	\$56.40
27	\$55.30	\$55.50	\$57.80
28	\$56.70	\$56.90	\$59.20
29	\$58.10	\$58.30	\$60.60
30	\$59.00	\$59.30	\$61.60
31	\$60.00	\$60.30	\$62.60
32	\$61.75	\$62.05	\$64.30
33	\$63.25	\$63.55	\$65.90
34	\$64.10	\$64.35	\$67.30
35	\$65.75	\$66.05	\$68.80
36	\$67.15	\$67.45	\$70.15
37	\$69.00	\$69.25	\$71.40
38	\$70.50	\$70.75	\$72.80
39	\$71.80	\$72.05	\$74.10
40	\$73.10	\$73.35	\$75.40
41	\$74.40	\$74.65	\$76.70
42	\$75.80	\$76.05	\$78.10
43	\$77.10	\$77.35	\$79.40
44	\$78.45	\$78.70	\$80.75
45	\$79.80	\$80.05	\$82.10
46	\$81.05	\$81.30	\$83.35
47	\$82.45	\$82.70	\$84.75
48	\$83.75	\$84.00	\$86.05
49	\$85.05	\$85.30	\$87.35
50	\$86.35	\$86.60	\$88.65
51	\$87.80	\$88.05	\$90.05
52	\$89.00	\$89.25	\$91.30
53	\$90.45	\$90.70	\$92.70
54	\$91.75	\$92.00	\$94.00
55	\$93.05	\$93.30	\$95.30
56	\$94.45	\$94.70	\$96.70
57	\$95.70	\$96.00	\$97.95
58	\$97.05	\$97.30	\$99.30
59	\$98.50	\$98.75	\$100.80
60	\$100.05	\$100.30	\$102.35
61	\$101.70	\$101.95	\$104.00
62	\$103.25	\$103.50	\$105.55
63	\$104.85	\$105.10	\$107.10
64	\$106.50	\$106.75	\$108.80
65	\$108.05	\$108.30	\$110.35
66	\$109.70	\$109.95	\$112.00
67	\$111.30	\$111.55	\$113.55
68	\$112.65	\$112.90	\$115.25
69	\$114.50	\$114.75	\$116.80
70	\$116.05	\$116.30	\$118.35

% Change from Existing Rates			
Express Mail			
Schedules 121, 122 and 123			
	Schedule 122	Schedule 123	Schedule 123
Weight Not Exceeding (Pounds)	Custom Designed	Next Day and Second Day PO to PO	Next Day and Second Day PO to Addressee
0.5	-3.1%	-3.1%	4.7%
1.0	1.8%	1.8%	1.9%
2.0	1.8%	1.8%	1.9%
3.0	2.1%	2.1%	1.9%
4.0	2.1%	2.1%	2.1%
5.0	2.1%	2.1%	2.1%
6.0	2.0%	2.0%	2.1%
7.0	2.0%	2.0%	2.0%
8.0	1.9%	1.9%	2.0%
9.0	2.0%	2.0%	2.0%
10.0	1.9%	1.9%	2.0%
11.0	2.0%	2.0%	2.0%
12.0	2.0%	2.0%	2.0%
13.0	2.0%	1.9%	1.8%
14.0	2.0%	2.0%	2.0%
15.0	2.0%	1.9%	2.0%
16.0	2.0%	2.0%	2.0%
17.0	1.9%	1.9%	2.0%
18.0	2.0%	2.0%	2.0%
19.0	2.0%	1.9%	2.0%
20.0	2.0%	2.0%	2.0%
21.0	2.0%	2.1%	2.3%
22.0	2.0%	2.1%	2.5%
23.0	2.1%	2.1%	2.6%
24.0	2.4%	2.5%	2.9%
25.0	2.5%	2.6%	3.0%
26.0	2.8%	2.9%	3.2%
27.0	2.9%	3.0%	3.3%
28.0	3.1%	3.2%	3.5%
29.0	3.2%	3.3%	3.6%
30.0	2.4%	2.7%	3.0%
31.0	2.0%	2.2%	2.5%
32.0	2.7%	2.9%	3.1%
33.0	3.0%	3.2%	3.6%
34.0	2.2%	4.0%	3.7%
35.0	2.8%	4.0%	4.0%
36.0	2.9%	4.0%	4.0%
37.0	3.8%	4.0%	4.0%
38.0	4.0%	4.0%	4.0%
39.0	4.0%	4.0%	4.0%
40.0	4.0%	4.0%	4.0%
41.0	4.0%	4.0%	4.0%
42.0	4.0%	4.0%	4.0%
43.0	4.0%	4.0%	4.0%
44.0	4.0%	4.0%	4.0%
45.0	4.0%	4.0%	4.0%
46.0	4.0%	4.0%	4.0%
47.0	4.0%	4.0%	4.0%
48.0	4.0%	4.0%	4.0%
49.0	4.0%	4.0%	4.0%
50.0	4.0%	4.0%	4.0%
51.0	4.0%	4.0%	4.0%
52.0	4.0%	4.0%	4.0%
53.0	4.0%	4.0%	4.0%
54.0	4.0%	4.0%	4.0%
55.0	4.0%	4.0%	4.0%
56.0	4.0%	4.0%	4.0%
57.0	4.0%	4.0%	4.0%
58.0	4.0%	4.0%	4.0%
59.0	4.0%	4.0%	4.0%
60.0	4.0%	4.0%	4.0%
61.0	4.0%	4.0%	4.0%
62.0	4.0%	4.0%	4.0%
63.0	4.0%	4.0%	4.0%
64.0	4.0%	4.0%	4.0%
65.0	4.0%	4.0%	4.0%
66.0	4.0%	4.0%	4.0%
67.0	4.0%	4.0%	4.0%
68.0	4.0%	4.0%	4.0%
69.0	4.0%	4.0%	4.0%
70.0	4.0%	4.0%	4.0%

ATTACHMENT D
PARCEL POST VOLUME SUMMARY

USPS-T-36

1 of 1

(1) RPW 1998 Volume = 316,147,799

	FY 98 Volumes
(2) Intra-BMC Non-Alaska Bypass	40,189,365
(3) Intra-BMC Alaska Bypass	1,931,382
(4) Inter-BMC	63,060,966
(5) DBMC	209,409,172
(6) OMAS	<u>1,556,914</u>
(7)	316,147,799

Test Year Volume	Test Year <u>Before Rates</u>	Test Year <u>After Rates</u>
(8) Intra-BMC Non-Alaska Bypass	27,495,992	25,050,582
(9) Intra-BMC Alaska Bypass	1,321,376	1,203,857
(10) Inter-BMC	50,614,551	46,710,097
(11) DBMC	267,762,878	269,734,882
(12) OMAS	1,005,768	928,182
(13) DSCF	2,237,344	2,253,822
(14) DDU	<u>28,008,725</u>	<u>28,215,002</u>
	378,446,634	374,096,424
(15) Intra-BMC	28,817,368	26,254,439
(16) Inter-BMC	51,620,319	47,638,278
(17) Parcel Select	<u>298,008,947</u>	<u>300,203,706</u>
(18) Test Year Total	378,446,634	374,096,424

Overized Volume	Percentage	Volume
(19) Intra-BMC	0.13%	37,463
(20) Inter-BMC	0.14%	72,268
(21) Parcel Select	0.02%	59,602
(22) Balloon Volume		
(23) Intra-BMC	0.36%	103,743
(23) Inter-BMC	0.41%	211,643
(24) Parcel Select	1.02%	3,039,691

NOTES:

(1-7) FY 98 Billing Determinants (USPS Lib. Ref. I-125)

(8-14) Test Year volumes distributed according to FY 98 Billing Determinant proportions

(15-18) Source: USPS-T-7

(19)Source: USPS Lib. Ref. 105

ATTACHMENT E
TEST YEAR VOLUMES

USPS-T-36
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INTRA-BMC PARCEL POST
Test Year Before Rates Volume

Weight (Pounds)	Local	Zones 1 & 2	Zone 3	Zone 4	Zone 5	Total
2	1,219,226	7,904,591	1,133,182	150,121	776	10,407,896
3	465,298	4,029,712	745,382	145,273	4,041	5,389,706
4	283,979	2,585,357	514,451	104,527	1,864	3,490,177
5	151,587	1,549,375	364,237	60,437	1,663	2,127,300
6	73,745	858,975	203,769	42,805	3,859	1,183,152
7	55,788	693,158	133,022	44,880	164	927,011
8	34,758	547,182	98,729	21,585	1,611	703,865
9	34,356	359,922	111,467	17,997	544	524,286
10	24,746	241,945	48,351	9,851	321	325,215
11	19,150	217,189	51,612	8,601	448	296,980
12	14,235	143,819	39,044	7,301	47,116	251,514
13	10,270	138,532	36,589	4,196	45,641	235,228
14	7,326	107,410	32,937	4,345	0	152,018
15	4,864	84,199	19,971	6,082	0	115,116
16	32,723	95,708	19,527	6,599	129	154,687
17	8,102	115,776	11,665	3,107	0	138,650
18	2,982	65,271	20,217	1,403	0	89,874
19	3,213	72,861	6,323	5,857	47,282	135,536
20	4,669	48,795	4,497	3,658	233	61,853
21	5,349	42,102	10,385	1,101	132	59,068
22	2,202	54,469	11,822	47	0	68,539
23	4,327	47,158	6,248	2,295	0	60,027
24	1,978	50,187	5,410	3,436	0	61,010
25	2,635	38,567	4,088	2,234	0	47,524
26	2,455	30,376	9,844	4,655	0	47,330
27	1,183	17,100	3,654	226	0	22,163
28	1,100	37,784	6,010	77	0	44,971
29	1,407	40,880	21,870	0	0	64,157
30	1,448	38,714	6,111	616	0	46,889
31	1,847	15,800	1,246	829	0	19,722
32	1,888	26,630	2,208	211	0	30,938
33	234	12,701	2,362	155	0	15,452
34	1,044	11,479	3,746	789	0	17,059
35	1,013	7,036	733	1,290	0	10,071
36	303	18,885	315	1,987	0	21,489
37	433	10,274	612	148	0	11,468
38	164	10,681	1,220	1,818	0	13,883
39	1,236	9,357	872	172	0	11,637
40	0	3,222	304	799	0	4,325
41	526	9,697	1,157	464	0	11,844
42	374	3,266	1,192	304	0	5,137
43	1,218	9,091	575	0	0	10,884
44	0	5,213	4,797	616	0	10,626
45	0	8,453	53	367	0	8,874
46	48	2,553	917	15	0	3,532
47	322	4,437	395	0	0	5,153
48	563	1,902	309	0	0	2,774
49	0	1,477	209	0	0	1,686
50	1,221	5,505	1,351	0	0	8,076
51	86	3,911	205	0	0	4,202
52	608	5,837	189	135	0	6,769
53	0	1,223	0	0	0	1,223
54	89	3,023	1,629	0	0	4,741
55	0	4,366	0	0	0	4,366
56	0	1,194	230	0	0	1,424
57	435	387	2,447	0	0	3,269
58	0	255	60	0	0	315
59	434	2,778	0	0	0	3,212
60	0	279	529	0	0	808
61	0	1,774	286	0	0	2,060
62	1,894	250	169	0	0	2,313
63	0	172	266	0	0	438
64	0	2,665	0	172	0	2,837
65	0	677	0	86	0	764
66	0	0	0	0	0	0
67	0	86	144	0	0	231
68	0	460	0	0	0	460
69	0	0	0	0	0	0
70	0	189	0	0	0	189
TOTAL	2,491,074	20,464,281	3,711,143	673,671	155,822	27,495,992
TOTAL <=15lb.						26,129,465

Source: TYBR intra-BMC volume from USPS-T-36, WP I.A., page 1 distributed to weight and zone using FY 1998 distribution from USPS-T-36, WP I.A., pages 2 and 3.

ATTACHMENT E
TEST YEAR VOLUMES

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INTER-BMC PARCEL POST
Test Year Before Rates Volume

Weight (Pounds)	Zones 1 & 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Total
2	1,656,645	2,971,249	4,588,508	2,389,986	1,027,566	775,950	1,145,491	14,555,395
3	925,316	1,850,070	3,051,902	2,146,580	543,103	394,861	630,459	9,542,292
4	690,598	1,315,652	2,125,317	1,185,492	299,238	245,036	381,481	6,242,813
5	460,281	869,557	1,344,355	955,532	322,103	148,021	170,448	4,270,296
6	344,882	566,552	937,741	814,224	207,781	83,085	155,833	3,110,098
7	259,410	418,167	697,120	574,707	254,759	104,886	130,155	2,439,204
8	171,311	337,432	482,132	456,601	164,465	97,404	84,430	1,793,775
9	106,876	225,044	322,117	295,365	159,469	80,088	35,001	1,223,962
10	79,409	196,321	255,324	317,321	114,557	66,728	35,939	1,065,599
11	76,984	122,245	223,693	286,122	116,647	38,010	51,558	915,259
12	41,080	109,205	139,717	165,744	107,893	34,610	27,871	626,120
13	47,300	76,622	149,677	167,523	98,202	37,359	22,035	598,719
14	24,935	70,920	107,223	142,222	80,998	43,423	10,810	480,532
15	25,978	65,165	114,727	102,320	61,093	10,480	21,458	401,221
16	34,068	58,626	77,139	104,705	75,441	37,229	12,531	399,740
17	26,016	53,222	83,127	102,229	67,358	22,932	4,638	359,521
18	9,664	32,255	55,539	51,368	37,619	23,874	13,349	223,669
19	6,974	18,414	61,073	50,319	46,923	21,855	7,488	213,046
20	13,486	17,513	81,803	42,747	31,402	20,812	12,852	220,615
21	18,375	31,302	47,276	49,880	50,797	14,335	12,283	224,247
22	10,534	22,410	36,323	43,833	17,766	8,227	18,250	157,343
23	8,331	25,760	21,115	32,089	23,465	7,909	18,123	136,793
24	6,744	1,611	29,506	17,822	13,901	11,872	9,470	90,925
25	9,096	11,464	44,341	27,172	10,773	12,021	22,470	137,337
26	6,967	16,887	21,124	34,484	21,603	11,258	11,921	124,243
27	9,679	10,866	33,700	23,761	27,484	8,247	22,702	136,439
28	7,950	5,002	9,792	14,053	21,501	6,961	5,575	70,835
29	5,826	8,329	15,132	25,954	3,637	7,025	5,769	71,673
30	1,113	12,312	14,046	6,732	19,224	10,974	13,263	77,663
31	4,270	5,732	15,275	19,637	9,996	13,959	6,205	75,074
32	311	1,410	7,065	14,884	5,238	4,605	7,219	40,732
33	160	7,008	5,582	8,101	6,028	5,066	9,824	41,769
34	7,858	1,044	8,084	16,405	5,077	4,093	10,899	53,459
35	5,847	5,720	2,252	7,322	9,254	3,741	6,534	40,669
36	293	8,626	7,391	3,163	7,450	4,163	4,450	35,537
37	314	5,262	5,734	2,311	4,756	2,071	8,206	28,653
38	169	2,539	4,305	19,031	2,382	8,018	3,994	40,438
39	0	1,255	5,249	3,666	2,793	9,457	4,077	26,499
40	352	3,160	852	8,636	3,893	1,205	4,263	22,360
41	1,791	4,064	1,199	6,225	1,940	2,086	2,727	20,031
42	0	463	3,792	2,131	1,081	1,516	3,817	12,801
43	1,028	250	10,231	5,118	1,862	2,410	1,913	22,812
44	1,364	0	3,021	2,991	1,547	1,079	3,570	13,571
45	5,515	1,463	10,620	3,772	1,855	1,011	6,993	31,029
46	357	10,518	1,527	9,701	234	2,182	2,547	27,067
47	0	982	461	5,525	8,290	281	2,495	18,034
48	0	185	1,161	2,493	32,263	1,189	4,178	41,468
49	0	915	5,226	1,545	1,153	29	1,181	10,048
50	43	393	642	819	628	1,739	736	5,001
51	0	681	1,636	791	270	4,133	702	8,212
52	0	270	2,812	0	1,909	933	1,926	7,852
53	0	5,221	2,172	1,214	639	3,346	3,599	16,191
54	152	649	4,151	8,246	2,194	2,568	678	18,638
55	0	0	189	1,759	189	593	602	3,332
56	95	105	749	422	2,193	127	732	4,423
57	0	550	974	2,189	593	736	232	5,273
58	0	0	14	425	572	368	3,043	4,423
59	0	89	277	1,315	218	321	1,472	3,691
60	0	0	149	749	641	138	583	2,259
61	0	219	856	399	169	840	531	3,015
62	0	0	104	0	205	25	1,447	1,782
63	0	0	728	0	300	621	625	2,275
64	0	0	29	1	0	0	413	443
65	242	0	1,883	185	192	834	283	3,617
66	0	151	14	1,450	973	43	982	3,612
67	0	0	0	281	222	2,992	413	3,907
68	234	0	0	0	192	0	685	1,111
69	0	0	14	170	256	266	160	867
70	0	0	14	189	0	879	2,121	3,203
TOTAL	5,116,223	9,589,100	15,287,023	10,790,147	4,146,211	2,475,137	3,210,709	50,614,551
TOTAL <=15lb.								47,265,285

Source: TYBR inter-BMC volume from USPS-T-36, WP I.A., page 1 distributed to weight and zone using FY 1998 distribution from USPS-T-36, WP I.A., pages 4 and 5.

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TEST YEAR VOLUMES

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DESTINATION BMC PARCEL POST
Test Year Before Rates Volume

Weight (Pounds)	Zones 1 & 2	Zone 3	Zone 4	Zone 5	Total
2	59,265,574	10,052,299	1,804,960	90,181	71,213,015
3	52,146,178	8,926,402	1,611,426	40,449	62,724,455
4	30,838,949	5,206,199	964,403	32,844	37,042,395
5	20,462,800	3,677,327	616,641	48,557	24,805,325
6	13,671,349	2,656,547	316,215	24,278	16,668,388
7	11,249,615	2,120,714	414,978	8,108	13,793,416
8	7,683,438	1,235,640	226,543	16,170	9,161,790
9	5,278,708	892,807	118,890	0	6,290,404
10	3,794,825	608,864	135,777	0	4,539,466
11	3,286,203	612,242	138,483	8,108	4,045,036
12	2,586,633	422,712	57,021	16,170	3,082,536
13	1,821,345	325,451	49,447	0	2,196,242
14	1,475,567	317,010	31,711	0	1,824,288
15	1,329,630	151,722	38,945	0	1,520,297
16	930,040	266,738	15,235	0	1,212,014
17	748,439	139,073	12,288	0	899,800
18	588,861	123,219	7,657	0	719,737
19	576,568	151,746	8,714	0	737,028
20	446,313	79,042	3,589	0	528,944
21	451,918	101,541	11,041	0	564,500
22	540,857	94,997	9,884	0	645,738
23	399,228	48,206	16,041	5,586	467,061
24	304,506	49,490	8,924	0	362,920
25	266,356	44,272	7,026	0	317,655
26	227,225	40,091	7,011	0	274,327
27	136,210	28,600	11,291	0	176,101
28	143,918	31,593	431	0	175,942
29	102,196	65,709	793	0	168,697
30	159,568	33,255	4,322	0	197,145
31	92,571	12,228	8,183	0	112,982
32	142,198	26,936	136	0	169,270
33	75,096	9,714	1,415	0	86,225
34	75,446	3,660	408	0	79,513
35	41,389	8,861	0	0	50,250
36	55,371	15,699	1,871	8,563	81,504
37	65,636	1,538	0	0	67,174
38	49,560	11,551	0	0	61,111
39	69,530	23,616	0	0	93,145
40	65,373	4,287	2,069	0	71,729
41	37,061	455	492	0	38,008
42	33,781	5,744	0	0	39,525
43	40,356	3,286	717	0	44,359
44	34,895	30,542	0	0	65,437
45	19,532	6,765	509	0	26,806
46	28,083	2,115	1,991	0	32,189
47	48,869	578	0	0	49,447
48	34,780	6,969	0	0	41,748
49	20,216	673	0	0	20,888
50	23,553	335	0	0	23,888
51	32,323	4,304	0	0	36,627
52	16,437	702	0	0	17,139
53	12,000	0	0	0	12,000
54	5,121	912	0	0	6,033
55	24,058	0	0	0	24,058
56	15,371	0	0	0	15,371
57	178	2,914	0	0	3,092
58	3,359	0	0	0	3,359
59	7,887	265	0	0	8,151
60	542	341	0	0	884
61	1,580	198	1,013	0	2,791
62	739	0	0	0	739
63	9,323	0	990	0	10,312
64	877	676	0	0	1,554
65	345	1,890	0	0	2,235
66	6,019	265	0	0	6,283
67	440	0	0	0	440
68	0	0	0	0	0
69	0	0	0	40	40
70	1,423	486	0	0	1,909
TOTAL	222,104,333	38,690,013	6,669,478	299,054	267,762,878
TOTAL <=15lb.					258,907,053

Source: TYBR DBMC volume from USPS-T-36, WP I.A., page 1 distributed to weight and zone using FY 1998 distribution from USPS-T-36, WP I.A., pages 6 and 7.

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TEST YEAR VOLUMES

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DESTINATION SCF PARCEL POST
Test Year Volume

<u>Weight</u> <u>(Pounds)</u>	<u>TYBR</u> <u>Volume</u>
2	597,005
3	525,289
4	310,653
5	206,130
6	137,717
7	113,322
8	77,398
9	53,174
10	38,227
11	33,103
12	26,056
13	18,347
14	14,864
15	13,394
16	9,369
17	7,539
18	5,932
19	5,808
20	4,496
21	4,552
22	5,448
23	4,022
24	3,067
25	2,683
26	2,289
27	1,372
28	1,450
29	1,029
30	1,607
31	933
32	1,432
33	756
34	760
35	417
36	558
37	661
38	499
39	700
40	659
41	373
42	340
43	407
44	352
45	197
46	283
47	492
48	350
49	204
50	237
51	326
52	166
53	121
54	52
55	242
56	155
57	2
58	34
59	79
60	5
61	16
62	7
63	94
64	9
65	3
66	61
67	4
68	0
69	0
70	14
Total	2,237,344

Note: The total DSCFvolume was spread to weight by using the DBMC 2 volume distribution by weight, USPS-T-36, WP I.A., pages 6 & 7.

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TEST YEAR VOLUMES

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DESTINATION DELIVERY UNIT PARCEL POST
Test Year Before Rates Volume

<u>Weight</u> <u>(Pounds)</u>	<u>TYBR</u> <u>Volume</u>
2	13,708,531
3	5,231,643
4	3,192,953
5	1,704,386
6	829,158
7	627,255
8	390,805
9	386,282
10	278,235
11	215,311
12	160,056
13	115,471
14	82,370
15	54,685
16	367,921
17	91,101
18	33,531
19	36,124
20	52,501
21	60,139
22	24,754
23	48,647
24	22,239
25	29,623
26	27,608
27	13,300
28	12,369
29	15,816
30	16,285
31	20,762
32	21,231
33	2,631
34	11,739
35	11,385
36	3,408
37	4,869
38	1,846
39	13,900
40	0
41	5,915
42	4,200
43	13,693
44	0
45	0
46	515
47	3,615
48	6,331
49	0
50	13,723
51	969
52	6,831
53	0
54	1,000
55	0
56	0
57	4,892
58	0
59	4,877
60	0
61	0
62	21,293
63	0
64	0
65	0
66	0
67	0
68	0
69	0
70	0
Total	28,008,725

Zones 1 & 2

Note: The total DDU volume was spread to weight by using the local Intra-BMC volume distribution by weight, USPS-T-36, WP I.A., pages 6 & 7.

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TEST YEAR VOLUMES

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INTRA-BMC PARCEL POST
Approximated Test Year After Rates Volume

Weight (Pounds)	Local	Zones 1 & 2	Zone 3	Zone 4	Zone 5	Total
2	1,110,792	7,201,581	1,032,400	136,770	707	9,482,250
3	423,916	3,671,322	679,090	132,353	3,681	4,910,362
4	258,723	2,355,423	468,697	95,231	1,698	3,179,771
5	138,105	1,411,579	331,843	55,062	1,515	1,938,104
6	67,186	782,580	185,646	38,998	3,515	1,077,926
7	50,826	631,510	121,192	40,889	149	844,565
8	31,667	498,517	89,949	19,665	1,467	641,265
9	31,300	327,912	101,554	16,397	496	477,658
10	22,545	220,428	44,051	8,975	292	296,291
11	17,446	197,854	47,022	7,836	408	270,567
12	12,969	131,028	35,571	6,651	42,926	229,145
13	9,357	126,212	33,335	3,823	41,582	214,308
14	6,674	97,857	30,008	3,959	0	138,498
15	4,431	76,711	18,195	5,541	0	104,878
16	29,812	87,196	17,791	6,012	118	140,929
17	7,382	105,479	10,627	2,830	0	126,319
18	2,717	59,466	18,419	1,278	0	81,881
19	2,927	66,381	5,761	5,336	43,077	123,482
20	4,254	44,456	4,097	3,333	213	56,352
21	4,873	38,357	9,461	1,003	120	53,815
22	2,006	49,624	10,770	43	0	62,443
23	3,942	42,964	5,693	2,091	0	54,689
24	1,802	45,724	4,929	3,130	0	55,584
25	2,400	35,137	3,724	2,036	0	43,297
26	2,237	27,674	8,968	4,241	0	43,121
27	1,078	15,579	3,329	206	0	20,192
28	1,002	34,424	5,476	70	0	40,971
29	1,282	37,245	19,925	0	0	58,451
30	1,320	35,271	5,567	561	0	42,719
31	1,682	14,395	1,135	755	0	17,968
32	1,720	24,262	2,012	192	0	28,186
33	213	11,572	2,152	141	0	14,078
34	951	10,459	3,413	719	0	15,542
35	922	6,410	668	1,175	0	9,175
36	276	17,205	287	1,810	0	19,578
37	395	9,360	558	135	0	10,448
38	150	9,731	1,111	1,656	0	12,648
39	1,126	8,525	794	156	0	10,602
40	0	2,935	277	728	0	3,941
41	479	8,835	1,054	423	0	10,791
42	340	2,976	1,086	277	0	4,680
43	1,109	8,283	524	0	0	9,916
44	0	4,749	4,371	562	0	9,681
45	0	7,702	49	335	0	8,085
46	42	2,326	836	14	0	3,218
47	293	4,042	360	0	0	4,695
48	513	1,733	281	0	0	2,527
49	0	1,346	190	0	0	1,536
50	1,112	5,015	1,230	0	0	7,358
51	79	3,563	187	0	0	3,828
52	553	5,318	172	123	0	6,167
53	0	1,114	0	0	0	1,114
54	81	2,754	1,484	0	0	4,320
55	0	3,978	0	0	0	3,978
56	0	1,088	209	0	0	1,297
57	396	352	2,230	0	0	2,978
58	0	232	55	0	0	287
59	395	2,531	0	0	0	2,926
60	0	254	482	0	0	736
61	0	1,616	261	0	0	1,877
62	1,725	228	154	0	0	2,107
63	0	156	242	0	0	399
64	0	2,428	0	156	0	2,585
65	0	617	0	79	0	696
66	0	0	0	0	0	0
67	0	79	132	0	0	210
68	0	419	0	0	0	419
69	0	0	0	0	0	0
70	0	172	0	0	0	172
TOTAL	2,269,526	18,644,250	3,381,085	613,757	141,964	25,050,582
TOTAL <=15lb.						23,805,590

ATTACHMENT E
TEST YEAR VOLUMES

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INTER-BMC PARCEL POST
Approximated Test Year After Rates Volume

Weight (Pounds)	Zones 1 & 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Total
2	1,528,849	2,742,044	4,234,546	2,205,620	948,298	716,093	1,057,127	13,432,578
3	853,936	1,707,354	2,816,476	1,980,991	501,208	364,401	581,824	8,806,191
4	637,325	1,214,161	1,961,368	1,094,042	276,155	226,133	352,053	5,761,236
5	424,774	802,479	1,240,650	881,821	297,255	136,603	157,299	3,940,882
6	318,278	522,848	865,403	751,414	191,752	76,676	143,812	2,870,182
7	239,399	385,909	643,343	530,374	235,106	96,795	120,115	2,251,041
8	158,096	311,402	444,940	421,378	151,778	89,890	77,917	1,655,402
9	98,632	207,684	297,269	272,581	147,168	73,910	32,301	1,129,544
10	73,284	181,176	235,628	292,842	105,720	61,581	33,167	983,398
11	71,045	112,815	206,437	264,051	107,649	35,078	47,581	844,655
12	37,911	100,780	128,939	152,959	99,570	31,940	25,721	577,821
13	43,651	70,712	138,131	154,600	90,627	34,477	20,336	552,533
14	23,012	65,449	98,952	131,251	74,750	40,073	9,976	443,463
15	23,974	60,138	105,877	94,427	56,380	9,672	19,803	370,271
16	31,440	54,103	71,189	96,628	69,621	34,357	11,565	368,903
17	24,009	49,116	76,715	94,343	62,162	21,163	4,281	331,788
18	8,919	29,767	51,255	47,405	34,717	22,033	12,319	206,415
19	6,436	16,994	56,362	46,438	43,303	20,169	6,910	196,611
20	12,446	16,162	75,492	39,450	28,980	19,207	11,860	203,596
21	16,958	28,887	43,629	46,032	46,878	13,229	11,335	206,949
22	9,721	20,682	33,521	40,451	16,396	7,592	16,842	145,206
23	7,689	23,773	19,486	29,614	21,655	7,299	16,725	126,240
24	6,223	1,487	27,229	16,448	12,828	10,956	8,740	83,911
25	8,395	10,580	40,920	25,076	9,942	11,094	20,736	126,742
26	6,429	15,584	19,494	31,824	19,936	10,389	11,002	114,659
27	8,932	10,028	31,100	21,928	25,364	7,611	20,950	125,914
28	7,337	4,616	9,037	12,969	19,842	6,424	5,145	65,370
29	5,377	7,696	13,965	23,952	3,356	6,483	5,324	66,144
30	1,027	11,363	12,963	6,212	17,741	10,127	12,240	71,672
31	3,941	5,289	14,097	18,122	9,225	12,883	5,726	69,283
32	287	1,301	6,520	13,736	4,834	4,249	6,662	37,590
33	147	6,467	5,152	7,476	5,563	4,675	9,066	38,547
34	7,252	964	7,460	15,139	4,685	3,777	10,058	49,335
35	5,396	5,278	2,078	6,757	8,540	3,452	6,030	37,532
36	270	7,960	6,821	2,919	6,875	3,842	4,107	32,795
37	290	4,856	5,292	2,133	4,389	1,911	7,573	26,443
38	156	2,343	3,972	17,563	2,198	7,400	3,686	37,319
39	0	1,158	4,844	3,384	2,578	8,728	3,763	24,455
40	325	2,916	786	7,969	3,592	1,112	3,934	20,635
41	1,653	3,750	1,107	5,745	1,790	1,925	2,516	18,486
42	0	427	3,500	1,967	998	1,399	3,523	11,814
43	949	230	9,442	4,723	1,718	2,224	1,766	21,052
44	1,258	0	2,788	2,760	1,427	996	3,295	12,524
45	5,089	1,350	9,800	3,481	1,527	933	6,454	28,635
46	330	9,706	1,410	8,953	216	2,014	2,350	24,979
47	0	907	425	5,099	7,650	259	2,303	16,643
48	0	171	1,071	2,301	29,774	1,097	3,855	38,269
49	0	844	4,823	1,426	1,064	27	1,090	9,273
50	40	363	593	756	580	1,604	679	4,615
51	0	629	1,510	730	249	3,814	647	7,578
52	0	250	2,595	0	1,762	861	1,778	7,246
53	0	4,818	2,004	1,120	590	3,088	3,321	14,942
54	140	599	3,831	7,610	2,024	2,370	626	17,200
55	0	0	175	1,623	174	547	556	3,075
56	87	97	691	390	2,024	117	676	4,081
57	0	507	898	2,020	547	679	214	4,867
58	0	0	13	392	528	340	2,808	4,081
59	0	82	256	1,213	201	296	1,358	3,407
60	0	0	138	691	591	127	538	2,085
61	0	202	790	368	156	776	490	2,782
62	0	0	96	0	190	23	1,336	1,644
63	0	0	672	0	277	573	577	2,099
64	0	0	27	1	0	0	381	409
65	223	0	1,738	170	177	770	261	3,338
66	0	139	13	1,338	898	39	906	3,333
67	0	0	0	259	204	2,761	381	3,606
68	216	0	0	0	177	0	632	1,025
69	0	0	13	157	236	246	147	800
70	0	0	13	174	0	811	1,958	2,956
TOTAL	4,721,553	8,849,388	14,107,768	9,957,785	3,826,368	2,284,203	2,963,032	46,710,097
TOTAL <=15lb.								43,619,196

**ATTACHMENT E
TEST YEAR VOLUMES**

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**DESTINATION BMC PARCEL POST
Approximated Test Year After Rates Volume**

<u>Weight (Pounds)</u>	<u>Zones 1 & 2</u>	<u>Zone 3</u>	<u>Zone 4</u>	<u>Zone 5</u>	<u>Total</u>
2	59,702,050	10,126,332	1,818,253	90,845	71,737,480
3	52,530,222	8,992,142	1,623,294	40,747	63,186,405
4	31,066,070	5,244,541	971,505	33,086	37,315,202
5	20,613,504	3,704,409	621,182	48,915	24,988,010
6	13,772,034	2,676,111	318,544	24,457	16,791,146
7	11,332,465	2,136,333	418,035	8,168	13,895,001
8	7,740,024	1,244,740	228,211	16,289	9,229,264
9	5,317,584	899,382	119,765	0	6,336,731
10	3,822,773	613,348	136,777	0	4,572,898
11	3,310,405	616,751	139,502	8,168	4,074,827
12	2,605,683	425,825	57,440	16,289	3,105,238
13	1,834,758	327,847	49,811	0	2,212,417
14	1,486,434	319,345	31,944	0	1,837,724
15	1,339,422	152,839	39,232	0	1,531,494
16	936,890	268,703	15,347	0	1,220,940
17	753,951	140,098	12,378	0	906,427
18	593,198	124,127	7,713	0	725,037
19	580,814	152,864	8,778	0	742,456
20	449,600	79,624	3,616	0	532,840
21	455,246	102,289	11,123	0	568,657
22	544,841	95,696	9,957	0	650,494
23	402,168	46,546	16,159	5,628	470,501
24	306,749	49,855	8,989	0	365,593
25	268,318	44,598	7,078	0	319,994
26	228,899	40,386	7,063	0	276,348
27	137,214	28,810	11,374	0	177,398
28	144,978	31,826	434	0	177,238
29	102,948	66,193	799	0	169,940
30	160,743	33,500	4,354	0	198,597
31	93,253	12,318	8,244	0	113,814
32	143,246	27,135	137	0	170,517
33	75,649	9,786	1,426	0	86,860
34	76,002	3,686	411	0	80,099
35	41,694	8,926	0	0	50,620
36	55,779	15,815	1,884	8,626	82,105
37	66,120	1,550	0	0	67,669
38	49,925	11,636	0	0	61,561
39	70,042	23,789	0	0	93,831
40	65,854	4,319	2,084	0	72,257
41	37,334	459	496	0	38,288
42	34,030	5,786	0	0	39,816
43	40,653	3,310	723	0	44,686
44	35,152	30,767	0	0	65,919
45	19,675	6,815	513	0	27,003
46	28,290	2,130	2,006	0	32,426
47	49,229	582	0	0	49,811
48	35,036	7,020	0	0	42,056
49	20,364	678	0	0	21,042
50	23,726	337	0	0	24,064
51	32,561	4,336	0	0	36,897
52	16,558	707	0	0	17,265
53	12,089	0	0	0	12,089
54	5,159	918	0	0	6,077
55	24,235	0	0	0	24,235
56	15,484	0	0	0	15,484
57	179	2,936	0	0	3,115
58	3,384	0	0	0	3,384
59	7,945	267	0	0	8,211
60	546	344	0	0	890
61	1,592	200	1,020	0	2,812
62	745	0	0	0	745
63	9,391	0	997	0	10,388
64	884	681	0	0	1,565
65	348	1,904	0	0	2,252
66	6,063	267	0	0	6,330
67	443	0	0	0	443
68	0	0	0	0	0
69	0	0	0	40	40
70	1,434	489	0	0	1,923
TOTAL	223,740,074	38,974,955	6,718,597	301,256	269,734,882
TOTAL <=15lb.					260,813,837

ATTACHMENT E
TEST YEAR VOLUMES

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DESTINATION SCF PARCEL POST
Approximated Test Year After Rates Volume

<u>Weight</u> <u>(Pounds)</u>	<u>Test Year Volume</u>
2	605,831
3	533,055
4	315,245
5	209,177
6	139,753
7	114,997
8	78,543
9	53,961
10	38,792
11	33,593
12	26,441
13	18,618
14	15,084
15	13,592
16	9,507
17	7,651
18	6,020
19	5,894
20	4,562
21	4,620
22	5,529
23	4,081
24	3,113
25	2,723
26	2,323
27	1,392
28	1,471
29	1,045
30	1,631
31	946
32	1,454
33	768
34	771
35	423
36	566
37	671
38	507
39	711
40	668
41	379
42	345
43	413
44	357
45	200
46	287
47	500
48	356
49	207
50	241
51	330
52	168
53	123
54	52
55	246
56	157
57	2
58	34
59	81
60	6
61	16
62	8
63	95
64	9
65	4
66	62
67	4
68	0
69	0
70	15
TOTAL	2,270,421

ATTACHMENT E
TEST YEAR VOLUMES

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DDU Parcel Post
Approximated Test Year After Rates Volume

Weight (Pounds)	
2	13,809,491
3	5,270,173
4	3,216,468
5	1,716,938
6	835,264
7	631,875
8	383,684
9	389,127
10	280,284
11	216,896
12	161,235
13	116,321
14	82,977
15	55,088
16	370,630
17	91,772
18	33,778
19	36,390
20	52,887
21	60,582
22	24,937
23	49,005
24	22,403
25	29,842
26	27,811
27	13,398
28	12,461
29	15,932
30	16,405
31	20,915
32	21,387
33	2,650
34	11,825
35	11,469
36	3,433
37	4,905
38	1,860
39	14,003
40	0
41	5,959
42	4,231
43	13,793
44	0
45	0
46	519
47	3,642
48	6,377
49	0
50	13,824
51	976
52	6,881
53	0
54	1,007
55	0
56	0
57	4,928
58	0
59	4,913
60	0
61	0
62	21,449
63	0
64	0
65	0
66	0
67	0
68	0
69	0
70	0
TOTAL	28,215,002

ATTACHMENT F
Summary of Cube-Weight Relationship Results

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Weight (Pounds)	Cubic Feet per Piece		
	<u>Intra-BMC</u>	<u>Inter-BMC</u>	<u>DBMC</u>
2	0.2195	0.2696	0.3036
3	0.3460	0.4080	0.4626
4	0.4647	0.5363	0.6123
5	0.5747	0.6555	0.7531
6	0.6766	0.7666	0.8858
7	0.7710	0.8705	1.0112
8	0.8587	0.9680	1.1301
9	0.9404	1.0598	1.2431
10	1.0166	1.1466	1.3508
11	1.0879	1.2288	1.4536
12	1.1547	1.3069	1.5521
13	1.2176	1.3813	1.6465
14	1.2767	1.4522	1.7372
15	1.3325	1.5200	1.8244
16	1.3851	1.5849	1.9085
17	1.4350	1.6471	1.9896
18	1.4822	1.7068	2.0680
19	1.5270	1.7642	2.1437
20	1.5695	1.8195	2.2170
21	1.6100	1.8727	2.2880
22	1.6485	1.9240	2.3569
23	1.6852	1.9736	2.4238
24	1.7201	2.0215	2.4887
25	1.7535	2.0678	2.5518
26	1.7855	2.1126	2.6132
27	1.8160	2.1560	2.6729
28	1.8451	2.1981	2.7311
29	1.8731	2.2389	2.7878
30	1.8998	2.2785	2.8431
31	1.9255	2.3170	2.8970
32	1.9501	2.3543	2.9496
33	1.9737	2.3907	3.0010
34	1.9964	2.4260	3.0512
35	2.0181	2.4604	3.1002
36	2.0390	2.4939	3.1482
37	2.0592	2.5265	3.1951
38	2.0785	2.5582	3.2410
39	2.0971	2.5892	3.2859
40	2.1150	2.6194	3.3299
41	2.1322	2.6489	3.3730
42	2.1488	2.6776	3.4152
43	2.1648	2.7057	3.4566
44	2.1802	2.7331	3.4971
45	2.1951	2.7599	3.5369
46	2.2094	2.7861	3.5759
47	2.2232	2.8117	3.6142
48	2.2365	2.8367	3.6518
49	2.2494	2.8611	3.6886
50	2.2618	2.8851	3.7249
51	2.2737	2.9085	3.7604
52	2.2853	2.9314	3.7954
53	2.2964	2.9539	3.8297
54	2.3072	2.9758	3.8634
55	2.3175	2.9974	3.8966
56	2.3276	3.0185	3.9292
57	2.3372	3.0391	3.9612
58	2.3466	3.0594	3.9928
59	2.3556	3.0793	4.0238
60	2.3643	3.0987	4.0543
61	2.3728	3.1178	4.0843
62	2.3809	3.1366	4.1139
63	2.3887	3.1549	4.1430
64	2.3963	3.1730	4.1717
65	2.4037	3.1907	4.1999
66	2.4107	3.2080	4.2276
67	2.4176	3.2251	4.2550
68	2.4242	3.2418	4.2820
69	2.4306	3.2583	4.3085
70	2.4367	3.2744	4.3347

INTRA-BMC PARCEL POST
Test Year Transportation Cost per Piece by Zone and Weight Increment

Weight (Pounds)	Local	Zones 1 & 2	Zone 3	Zone 4	Zone 5
2	\$0.2692	\$0.5000	\$0.5000	\$0.5000	\$0.5000
3	0.4244	0.7883	0.7883	0.7883	0.7883
4	0.5699	1.0586	1.0586	1.0586	1.0586
5	0.7048	1.3093	1.3093	1.3093	1.3093
6	0.8298	1.5414	1.5414	1.5414	1.5414
7	0.9456	1.7565	1.7565	1.7565	1.7565
8	1.0531	1.9563	1.9563	1.9563	1.9563
9	1.1533	2.1423	2.1423	2.1423	2.1423
10	1.2467	2.3160	2.3160	2.3160	2.3160
11	1.3342	2.4784	2.4784	2.4784	2.4784
12	1.4162	2.6307	2.6307	2.6307	2.6307
13	1.4932	2.7738	2.7738	2.7738	2.7738
14	1.5657	2.9085	2.9085	2.9085	2.9085
15	1.6341	3.0355	3.0355	3.0355	3.0355
16	1.6987	3.1555	3.1555	3.1555	3.1555
17	1.7598	3.2691	3.2691	3.2691	3.2691
18	1.8177	3.3766	3.3766	3.3766	3.3766
19	1.8726	3.4787	3.4787	3.4787	3.4787
20	1.9248	3.5756	3.5756	3.5756	3.5756
21	1.9744	3.6677	3.6677	3.6677	3.6677
22	2.0216	3.7555	3.7555	3.7555	3.7555
23	2.0666	3.8390	3.8390	3.8390	3.8390
24	2.1096	3.9188	3.9188	3.9188	3.9188
25	2.1505	3.9948	3.9948	3.9948	3.9948
26	2.1896	4.0675	4.0675	4.0675	4.0675
27	2.2270	4.1370	4.1370	4.1370	4.1370
28	2.2628	4.2035	4.2035	4.2035	4.2035
29	2.2971	4.2671	4.2671	4.2671	4.2671
30	2.3299	4.3281	4.3281	4.3281	4.3281
31	2.3614	4.3866	4.3866	4.3866	4.3866
32	2.3915	4.4426	4.4426	4.4426	4.4426
33	2.4205	4.4964	4.4964	4.4964	4.4964
34	2.4483	4.5480	4.5480	4.5480	4.5480
35	2.4750	4.5976	4.5976	4.5976	4.5976
36	2.5006	4.6453	4.6453	4.6453	4.6453
37	2.5253	4.6911	4.6911	4.6911	4.6911
38	2.5490	4.7351	4.7351	4.7351	4.7351
39	2.5718	4.7775	4.7775	4.7775	4.7775
40	2.5938	4.8183	4.8183	4.8183	4.8183
41	\$2.6149	\$4.8576	\$4.8576	\$4.8576	\$4.8576
42	2.6353	4.8954	4.8954	4.8954	4.8954
43	2.6549	4.9318	4.9318	4.9318	4.9318
44	2.6738	4.9669	4.9669	4.9669	4.9669
45	2.6920	5.0008	5.0008	5.0008	5.0008
46	2.7096	5.0334	5.0334	5.0334	5.0334
47	2.7265	5.0648	5.0648	5.0648	5.0648
48	2.7428	5.0952	5.0952	5.0952	5.0952
49	2.7586	5.1244	5.1244	5.1244	5.1244
50	2.7738	5.1526	5.1526	5.1526	5.1526
51	2.7884	5.1799	5.1799	5.1799	5.1799
52	2.8026	5.2062	5.2062	5.2062	5.2062
53	2.8163	5.2315	5.2315	5.2315	5.2315
54	2.8294	5.2560	5.2560	5.2560	5.2560
55	2.8422	5.2797	5.2797	5.2797	5.2797
56	2.8545	5.3025	5.3025	5.3025	5.3025
57	2.8663	5.3246	5.3246	5.3246	5.3246
58	2.8778	5.3459	5.3459	5.3459	5.3459
59	2.8889	5.3664	5.3664	5.3664	5.3664
60	2.8996	5.3863	5.3863	5.3863	5.3863
61	2.9099	5.4055	5.4055	5.4055	5.4055
62	2.9199	5.4240	5.4240	5.4240	5.4240
63	2.9295	5.4419	5.4419	5.4419	5.4419
64	2.9388	5.4592	5.4592	5.4592	5.4592
65	2.9478	5.4759	5.4759	5.4759	5.4759
66	2.9565	5.4920	5.4920	5.4920	5.4920
67	2.9649	5.5076	5.5076	5.5076	5.5076
68	2.9730	5.5227	5.5227	5.5227	5.5227
69	2.9808	5.5372	5.5372	5.5372	5.5372
70	2.9883	5.5512	5.5512	5.5512	5.5512

Source: Intra-BMC cube per piece from Attachment F
Cost/cubic foot from USPS-T-26

INTER-BMC PARCEL POST
Test Year Transportation Costs per Piece by Zone and Weight Increment

Cost/Cu	\$2.0000	\$3.0000	\$4.0000	\$5.0000	\$6.0000	\$7.0000	\$8.0000	\$9.0000	\$10.0000
Weight (Pounds)	Zones 1 & 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8		
2	\$0.7554	\$0.9125	\$1.1484	\$1.5874	\$2.0439	\$2.4703	\$3.3536		
3	\$1.1429	\$1.3806	\$1.7376	\$2.4019	\$3.0925	\$3.7378	\$5.0741		
4	\$1.5026	\$1.8152	\$2.2845	\$3.1578	\$4.0657	\$4.9141	\$6.6711		
5	\$1.8366	\$2.2186	\$2.7923	\$3.8596	\$4.9693	\$6.0063	\$8.1537		
6	\$2.1477	\$2.5944	\$3.2653	\$4.5134	\$5.8111	\$7.0238	\$9.5350		
7	\$2.4387	\$2.9459	\$3.7077	\$5.1249	\$6.5985	\$7.9754	\$10.8268		
8	\$2.7118	\$3.2759	\$4.1230	\$5.6990	\$7.3376	\$8.8687	\$12.0396		
9	\$2.9692	\$3.5868	\$4.5142	\$6.2397	\$8.0338	\$9.7102	\$13.1819		
10	\$3.2123	\$3.8805	\$4.8839	\$6.7507	\$8.6917	\$10.5054	\$14.2614		
11	\$3.4427	\$4.1588	\$5.2341	\$7.2348	\$9.3150	\$11.2588	\$15.2842		
12	\$3.6615	\$4.4231	\$5.5668	\$7.6947	\$9.9071	\$11.9745	\$16.2557		
13	\$3.8698	\$4.6748	\$5.8835	\$8.1325	\$10.4708	\$12.6558	\$17.1806		
14	\$4.0685	\$4.9148	\$6.1857	\$8.5501	\$11.0085	\$13.3056	\$18.0628		
15	\$4.2584	\$5.1442	\$6.4744	\$8.9492	\$11.5223	\$13.9267	\$18.9059		
16	\$4.4402	\$5.3638	\$6.7508	\$9.3312	\$12.0142	\$14.5212	\$19.7130		
17	\$4.6145	\$5.5743	\$7.0157	\$9.6974	\$12.4857	\$15.0911	\$20.4867		
18	\$4.7818	\$5.7784	\$7.2701	\$10.0490	\$12.9384	\$15.6382	\$21.2294		
19	\$4.9426	\$5.9707	\$7.5146	\$10.3870	\$13.3735	\$16.1642	\$21.9434		
20	\$5.0974	\$6.1577	\$7.7499	\$10.7123	\$13.7923	\$16.6704	\$22.6305		
21	\$5.2465	\$6.3378	\$7.9766	\$11.0256	\$14.1958	\$17.1580	\$23.2926		
22	\$5.3903	\$6.5116	\$8.1953	\$11.3279	\$14.5849	\$17.6284	\$23.9311		
23	\$5.5292	\$6.6793	\$8.4064	\$11.6197	\$14.9606	\$18.0825	\$24.5475		
24	\$5.6634	\$6.8414	\$8.6104	\$11.9016	\$15.3236	\$18.5212	\$25.1432		
25	\$5.7931	\$6.9981	\$8.8076	\$12.1743	\$15.6747	\$18.9456	\$25.7192		
26	\$5.9187	\$7.1498	\$8.9985	\$12.4382	\$16.0145	\$19.3562	\$26.2767		
27	\$6.0403	\$7.2967	\$9.1834	\$12.6938	\$16.3435	\$19.7540	\$26.8166		
28	\$6.1582	\$7.4391	\$9.3627	\$12.9415	\$16.6625	\$20.1395	\$27.3400		
29	\$6.2725	\$7.5772	\$9.5365	\$13.1818	\$16.9719	\$20.5134	\$27.8476		
30	\$6.3835	\$7.7112	\$9.7052	\$13.4149	\$17.2721	\$20.8763	\$28.3402		
31	\$6.4912	\$7.8414	\$9.8690	\$13.6414	\$17.5636	\$21.2286	\$28.8185		
32	\$6.5959	\$7.9679	\$10.0282	\$13.8614	\$17.8469	\$21.5710	\$29.2833		
33	\$6.6977	\$8.0908	\$10.1829	\$14.0753	\$18.1223	\$21.9039	\$29.7352		
34	\$6.7967	\$8.2104	\$10.3334	\$14.2833	\$18.3901	\$22.2276	\$30.1747		
35	\$6.8930	\$8.3268	\$10.4799	\$14.4857	\$18.6507	\$22.5426	\$30.6023		
36	\$6.9868	\$8.4401	\$10.6224	\$14.6828	\$18.9045	\$22.8493	\$31.0187		
37	\$7.0781	\$8.5504	\$10.7613	\$14.8748	\$19.1517	\$23.1481	\$31.4242		
38	\$7.1671	\$8.6579	\$10.8966	\$15.0618	\$19.3925	\$23.4392	\$31.8194		
39	\$7.2539	\$8.7827	\$11.0286	\$15.2442	\$19.6273	\$23.7229	\$32.2046		
40	\$7.3385	\$8.8650	\$11.1572	\$15.4220	\$19.8562	\$23.9997	\$32.5803		
41	\$7.4211	\$8.9647	\$11.2827	\$15.5955	\$20.0796	\$24.2696	\$32.9468		
42	\$7.5016	\$9.0620	\$11.4052	\$15.7648	\$20.2976	\$24.5331	\$33.3045		
43	\$7.5803	\$9.1570	\$11.5248	\$15.9301	\$20.5104	\$24.7903	\$33.6536		
44	\$7.6571	\$9.2498	\$11.6416	\$16.0915	\$20.7182	\$25.0415	\$33.9946		
45	\$7.7321	\$9.3404	\$11.7556	\$16.2492	\$20.9212	\$25.2868	\$34.3278		
46	\$7.8054	\$9.4290	\$11.8671	\$16.4033	\$21.1196	\$25.5267	\$34.6533		
47	\$7.8771	\$9.5156	\$11.9761	\$16.5539	\$21.3136	\$25.7611	\$34.9715		
48	\$7.9472	\$9.6002	\$12.0826	\$16.7012	\$21.5032	\$25.9903	\$35.2826		
49	\$8.0157	\$9.6830	\$12.1868	\$16.8452	\$21.6886	\$26.2144	\$35.5869		
50	\$8.0828	\$9.7641	\$12.2888	\$16.9861	\$21.8701	\$26.4337	\$35.8846		
51	\$8.1484	\$9.8433	\$12.3886	\$17.1240	\$22.0476	\$26.6483	\$36.1759		
52	\$8.2126	\$9.9209	\$12.4862	\$17.2590	\$22.2214	\$26.8584	\$36.4611		
53	\$8.2755	\$9.9969	\$12.5818	\$17.3911	\$22.3915	\$27.0640	\$36.7403		
54	\$8.3371	\$10.0713	\$12.6754	\$17.5205	\$22.5582	\$27.2654	\$37.0136		
55	\$8.3974	\$10.1441	\$12.7671	\$17.6473	\$22.7214	\$27.4626	\$37.2814		
56	\$8.4565	\$10.2155	\$12.8570	\$17.7715	\$22.8812	\$27.6559	\$37.5438		
57	\$8.5144	\$10.2854	\$12.9450	\$17.8932	\$23.0379	\$27.8453	\$37.8008		
58	\$8.5712	\$10.3540	\$13.0313	\$18.0124	\$23.1915	\$28.0309	\$38.0528		
59	\$8.6268	\$10.4212	\$13.1159	\$18.1294	\$23.3420	\$28.2128	\$38.2998		
60	\$8.6814	\$10.4871	\$13.1988	\$18.2440	\$23.4896	\$28.3912	\$38.5420		
61	\$8.7349	\$10.5518	\$13.2802	\$18.3564	\$23.6344	\$28.5662	\$38.7796		
62	\$8.7873	\$10.6151	\$13.3600	\$18.4667	\$23.7764	\$28.7378	\$39.0125		
63	\$8.8388	\$10.6773	\$13.4382	\$18.5749	\$23.9157	\$28.9062	\$39.2411		
64	\$8.8893	\$10.7384	\$13.5150	\$18.6811	\$24.0524	\$29.0714	\$39.4654		
65	\$8.9389	\$10.7983	\$13.5904	\$18.7853	\$24.1865	\$29.2336	\$39.6855		
66	\$8.9876	\$10.8570	\$13.6644	\$18.8875	\$24.3182	\$29.3927	\$39.9015		
67	\$9.0354	\$10.9147	\$13.7370	\$18.9879	\$24.4475	\$29.5489	\$40.1136		
68	\$9.0823	\$10.9714	\$13.8083	\$19.0865	\$24.5744	\$29.7023	\$40.3219		
69	\$9.1283	\$11.0271	\$13.8784	\$19.1833	\$24.6990	\$29.8530	\$40.5264		
70	\$9.1736	\$11.0817	\$13.9472	\$19.2784	\$24.8214	\$30.0009	\$40.7272		

Source: Inter-BMC cube per piece from Attachment F
Cost/cubic foot from USPS-T-26

DESTINATION BMC PARCEL POST
Test Year Transportation Costs per Piece by Zone and Weight Increment

Weight (Pounds)	Zones 1 & 2	Zone 3	Zone 4	Zone 5
2	\$0.2617	\$0.4935	\$0.6407	\$1.4941
3	\$0.3987	\$0.7519	\$0.9761	\$2.2764
4	\$0.5277	\$0.9952	\$1.2920	\$3.0130
5	\$0.6490	\$1.2241	\$1.5891	\$3.7058
6	\$0.7633	\$1.4397	\$1.8690	\$4.3586
7	\$0.8714	\$1.6435	\$2.1336	\$4.9757
8	\$0.9738	\$1.8367	\$2.3844	\$5.5606
9	\$1.0712	\$2.0204	\$2.6228	\$6.1166
10	\$1.1640	\$2.1954	\$2.8500	\$6.6465
11	\$1.2527	\$2.3626	\$3.0671	\$7.1526
12	\$1.3375	\$2.5226	\$3.2748	\$7.6371
13	\$1.4189	\$2.6761	\$3.4740	\$8.1017
14	\$1.4970	\$2.8235	\$3.6654	\$8.5480
15	\$1.5722	\$2.9653	\$3.8495	\$8.9773
16	\$1.6447	\$3.1019	\$4.0269	\$9.3910
17	\$1.7145	\$3.2337	\$4.1980	\$9.7900
18	\$1.7820	\$3.3610	\$4.3633	\$10.1755
19	\$1.8473	\$3.4841	\$4.5231	\$10.5482
20	\$1.9105	\$3.6033	\$4.6778	\$10.9089
21	\$1.9717	\$3.7187	\$4.8276	\$11.2584
22	\$2.0311	\$3.8307	\$4.9730	\$11.5973
23	\$2.0887	\$3.9393	\$5.1140	\$11.9263
24	\$2.1446	\$4.0449	\$5.2510	\$12.2457
25	\$2.1990	\$4.1474	\$5.3842	\$12.5562
26	\$2.2519	\$4.2472	\$5.5137	\$12.8583
27	\$2.3034	\$4.3443	\$5.6397	\$13.1522
28	\$2.3535	\$4.4388	\$5.7625	\$13.4385
29	\$2.4024	\$4.5310	\$5.8821	\$13.7175
30	\$2.4500	\$4.6208	\$5.9987	\$13.9895
31	\$2.4965	\$4.7085	\$6.1125	\$14.2548
32	\$2.5418	\$4.7940	\$6.2235	\$14.5137
33	\$2.5861	\$4.8775	\$6.3319	\$14.7665
34	\$2.6293	\$4.9591	\$6.4378	\$15.0135
35	\$2.6716	\$5.0388	\$6.5413	\$15.2549
36	\$2.7129	\$5.1168	\$6.6425	\$15.4909
37	\$2.7534	\$5.1930	\$6.7415	\$15.7217
38	\$2.7929	\$5.2676	\$6.8384	\$15.9475
39	\$2.8316	\$5.3406	\$6.9331	\$16.1686
40	\$2.8695	\$5.4121	\$7.0260	\$16.3850
41	\$2.9067	\$5.4821	\$7.1169	\$16.5970
42	\$2.9430	\$5.5507	\$7.2059	\$16.8047
43	\$2.9787	\$5.6180	\$7.2932	\$17.0083
44	\$3.0136	\$5.6839	\$7.3788	\$17.2079
45	\$3.0479	\$5.7485	\$7.4627	\$17.4036
46	\$3.0815	\$5.8119	\$7.5450	\$17.5955
47	\$3.1145	\$5.8742	\$7.6258	\$17.7839
48	\$3.1469	\$5.9352	\$7.7050	\$17.9687
49	\$3.1787	\$5.9952	\$7.7829	\$18.1502
50	\$3.2099	\$6.0540	\$7.8593	\$18.3284
51	\$3.2405	\$6.1118	\$7.9343	\$18.5034
52	\$3.2706	\$6.1686	\$8.0080	\$18.6753
53	\$3.3002	\$6.2244	\$8.0804	\$18.8442
54	\$3.3293	\$6.2792	\$8.1516	\$19.0102
55	\$3.3579	\$6.3331	\$8.2216	\$19.1734
56	\$3.3860	\$6.3861	\$8.2904	\$19.3338
57	\$3.4136	\$6.4382	\$8.3580	\$19.4915
58	\$3.4408	\$6.4895	\$8.4246	\$19.6467
59	\$3.4675	\$6.5399	\$8.4900	\$19.7993
60	\$3.4938	\$6.5895	\$8.5544	\$19.9495
61	\$3.5197	\$6.6383	\$8.6178	\$20.0973
62	\$3.5451	\$6.6863	\$8.6801	\$20.2427
63	\$3.5702	\$6.7336	\$8.7415	\$20.3859
64	\$3.5949	\$6.7802	\$8.8020	\$20.5269
65	\$3.6192	\$6.8260	\$8.8615	\$20.6657
66	\$3.6432	\$6.8712	\$8.9201	\$20.8024
67	\$3.6667	\$6.9157	\$8.9779	\$20.9370
68	\$3.6900	\$6.9595	\$9.0347	\$21.0697
69	\$3.7128	\$7.0026	\$9.0908	\$21.2004
70	\$3.7354	\$7.0452	\$9.1460	\$21.3291

Source: DBMC cube per piece from Attachment F
Cost/cubic foot from USPS-T-26

DESTINATION SCF PARCEL POST
Test Year Transportation Costs and Savings by Zone and Weight Increment

DBMC \$0.5502

Weight (Pounds)	Transp Cost/Pc	Discount Per Piece
2	\$0.1446	\$0.12
3	0.2188	0.18
4	0.2876	0.24
5	0.3515	0.30
6	0.4111	0.35
7	0.4668	0.40
8	0.5190	0.45
9	0.5683	0.50
10	0.6148	0.55
11	0.6589	0.59
12	0.7008	0.64
13	0.7407	0.68
14	0.7787	0.72
15	0.8151	0.76
16	0.8499	0.79
17	0.8832	0.83
18	0.9152	0.87
19	0.9460	0.90
20	0.9756	0.93
21	1.0042	0.97
22	1.0317	1.00
23	1.0583	1.03
24	1.0840	1.06
25	1.1088	1.09
26	1.1328	1.12
27	1.1561	1.15
28	1.1787	1.17
29	1.2006	1.20
30	1.2218	1.23
31	1.2424	1.25
32	1.2625	1.28
33	1.2819	1.30
34	1.3009	1.33
35	1.3193	1.35
36	1.3373	1.38
37	1.3548	1.40
38	1.3718	1.42
39	1.3884	1.44
40	1.4046	1.46
41	\$1.4204	\$1.49
42	1.4358	1.51
43	1.4509	1.53
44	1.4656	1.55
45	1.4799	1.57
46	1.4940	1.59
47	1.5077	1.61
48	1.5211	1.63
49	1.5342	1.64
50	1.5470	1.66
51	1.5596	1.68
52	1.5719	1.70
53	1.5839	1.72
54	1.5957	1.73
55	1.6073	1.75
56	1.6186	1.77
57	1.6297	1.78
58	1.6405	1.80
59	1.6512	1.82
60	1.6616	1.83
61	1.6719	1.85
62	1.6819	1.86
63	1.6918	1.88
64	1.7014	1.89
65	1.7109	1.91
66	1.7202	1.92
67	1.7294	1.94
68	1.7383	1.95
69	1.7472	1.97
70	1.7558	1.98

DBMC cube per piece from Attachment F
Cost/cubic foot from USPS-T-26

Discount per piece calculated by subtracting DSCF transportation cost per piece from DBMC transportation cost per piece in Zones 1&2 pages 7 & 8, and rounding to nearest whole cent. Transportation revenue leakage c. discount per piece from DBMC transportation costs multiplied by DSCF volumes from Transportation cost savings calculated by multiplying DSCF new volume as shown at the difference between the DBMC transportation cost per piece in Zones 1 & 2 from 1

DESTINATION DELIVERY UNIT PARCEL POST
Test Year Transportation Costs and Savings by Zone and Weight Increment
Cost/Cubic Foot

Weight (Pounds)	Transp Cost/Pc	Discount Per Piece
2	\$0.0199	\$0.25
3	0.0314	0.39
4	0.0422	0.53
5	0.0522	0.65
6	0.0614	0.77
7	0.0700	0.88
8	0.0780	0.98
9	0.0854	1.07
10	0.0923	1.15
11	0.0988	1.24
12	0.1049	1.31
13	0.1106	1.38
14	0.1159	1.45
15	0.1210	1.51
16	0.1258	1.57
17	0.1303	1.63
18	0.1346	1.68
19	0.1387	1.73
20	0.1425	1.78
21	0.1462	1.83
22	0.1497	1.87
23	0.1530	1.91
24	0.1562	1.95
25	0.1592	1.99
26	0.1621	2.03
27	0.1649	2.06
28	0.1676	2.10
29	0.1701	2.13
30	0.1725	2.16
31	0.1748	2.19
32	0.1771	2.21
33	0.1792	2.24
34	0.1813	2.27
35	0.1833	2.29
36	0.1852	2.32
37	0.1870	2.34
38	0.1887	2.36
39	0.1904	2.38
40	0.1921	2.40
41	\$0.1936	\$2.42
42	0.1951	2.44
43	0.1966	2.46
44	0.1980	2.48
45	0.1993	2.49
46	0.2006	2.51
47	0.2019	2.52
48	0.2031	2.54
49	0.2043	2.55
50	0.2054	2.57
51	0.2065	2.58
52	0.2075	2.60
53	0.2085	2.61
54	0.2095	2.62
55	0.2104	2.63
56	0.2114	2.64
57	0.2122	2.65
58	0.2131	2.66
59	0.2139	2.67
60	0.2147	2.68
61	0.2155	2.69
62	0.2162	2.70
63	0.2169	2.71
64	0.2176	2.72
65	0.2183	2.73
66	0.2189	2.74
67	0.2195	2.75
68	0.2201	2.75
69	0.2207	2.76
70	0.2213	2.77

DBMC cube per piece from Attachment F
Cost/cubic foot from USPS-T-26

cube per piece by weight for intra-BMC from USPS-T-16, Exhibit B. Discount per piece calculated by subtracting DDU transportation cost per piece from transportation cost per piece for Local intra-BMC from USPS-T-37, WP I.E., pages 3 & 4, and rounding to nearest whole cent. Transportation revenue leakage calculated as transportation discount per piece from Local intra-BMC transportation costs multiplied by DDU volumes from USPS-T-37, WP I.A., page 23. Weighted average transportation revenue leakage calculated by dividing revenue leakage by DDU volume from WP I.A., page 23.

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ATTACHMENT H
Inputs to Calculation of Rate Elements

USPS-T-36
Page 1 of 1

	Contingency		1.025		
(1)	FY 1998 On-Call/Scheduled Pickup Revenues	\$	234,793.350		See attachment
(2)	Pickup Revenue Percentage		0.0248%		Line 1 divided by TY Revenue (attachment
(3)	TYBR Pickup Costs	\$	290,699.342		See attachment
(4)	Proposed Pickup Fee	\$	10.250		See USPS-T-34
(5)	% Change from Current to Proposed Pickup Fee		24.24%		Line 4 divided by 8.25 minus 1
				Effective Passthrough	
(6)	DBMC Nontransportation Cost Savings	\$	0.698		See USPS-T-26
(7)	DBMC Nontransportation Discount	\$	0.700	100%	Line(6) rounded to nearest cent
(8)	Inter-BMC Nonmachinable Cost Differential	\$	1.790		See USPS-T-26
(9)	Inter-BMC Nonmachinable Surcharge	\$	1.790	100%	Line(8) rounded to nearest cent
(10)	Intra/Inter BMC Cost Differential	\$	0.328		See USPS-T-26
(11)	Intra/Inter-BMC Rate Differential	\$	0.330	101%	Line(10) rounded to nearest cent
(12)	Prebarcode Cost Savings	\$	0.029		See USPS-T-26
(13)	Prebarcode Discount	\$	0.030	102%	Line(12) rounded to nearest cent
(14)	BMC Presort Cost Savings	\$	0.232		See USPS-T-26
(15)	BMC Presort Discount	\$	0.230	99%	Line(14) rounded to nearest cent
(16)	Nonmachinable BMC Presort Cost Savings		Na		
(17)	Nonmachinable BMC Presort Discount		Na	Na	
(18)	DSCF Nontransportation Cost Savings	\$	0.428		See USPS-T-26
(19)	DSCF Nontransportation Rate Differential	\$	0.430	101%	Line(18) rounded to nearest cent
(20)	OBMC Cost Savings	\$	0.930		See USPS-T-26
(21)	OBMC Rate Differential	\$	0.930	100%	Line(20) rounded to nearest cent
(22)	DDU Savings Off of DBMC	\$	0.730		See USPS-T-26
(23)	DDU Discount Off of DBMC	\$	0.730	100%	Line(22) rounded to nearest cent
(24)	Nonmach. Cost Diff. for Inter-BMC for over 108 "	\$	11.155		See USPS-T-26
(25)	Nonmach. Cost Diff. for Intra-BMC for over 108 "	\$	5.637		See USPS-T-27
(26)	% Inter-BMC Nonmachinables		7.667%		LR USPS-105
(27)	% Intra-BMC Nonmachinables		7.986%		LR USPS-105
(28)	% DBMC Nonmachinables		5.129%		LR USPS-105
(29)	Intra-BMC Nonmachinable Cost Differential	\$	1.173		See USPS-T-26
(30)	Intra-BMC Nonmachinable Surcharge	\$	0.400	35%	Line(29) multiplied by 0.35 rounded to neare
(31)	DBMC Nonmachinable Cost Differential	\$	1.277		See USPS-T-26
(32)	DBMC Nonmachinable Surcharge	\$	0.450	35%	Line(31) multiplied by 0.35 rounded to neare
(33)	Nonmach. Cost Diff. for DSCF for over 108 "	\$	3.640		See USPS-T-26
(34)	Nonmach. Cost Diff. for DDU for over 108 "	\$	1.919	5.798	See USPS-T-27
(35)	Nonmach. Cost Diff. for DBMC for over 108 "	\$	7.716		See USPS-T-28
(36)	Estimated Cubic Feet per Piece for over 108"		8.193		LR USPS-105

ATTACHMENT I
RATE DESIGNUSPS-T-36
Page 1 of 6INTRA-BMC PARCEL POST
Preliminary Rates

Weight (Pounds)	Local	Zones 1 & 2	Zone 3	Zone 4	Zone 5
2	\$2.82	\$3.11	\$3.11	\$3.11	\$3.11
3	\$3.04	\$3.49	\$3.49	\$3.49	\$3.49
4	\$3.25	\$3.85	\$3.85	\$3.85	\$3.85
5	\$3.44	\$4.19	\$4.19	\$4.19	\$4.19
6	\$3.62	\$4.50	\$4.50	\$4.50	\$4.50
7	\$3.79	\$4.79	\$4.79	\$4.79	\$4.79
8	\$3.95	\$5.07	\$5.07	\$5.07	\$5.07
9	\$4.09	\$5.32	\$5.32	\$5.32	\$5.32
10	\$4.24	\$5.56	\$5.56	\$5.56	\$5.56
11	\$4.37	\$5.79	\$5.79	\$5.79	\$5.79
12	\$4.49	\$6.00	\$6.00	\$6.00	\$6.00
13	\$4.62	\$6.20	\$6.20	\$6.20	\$6.20
14	\$4.73	\$6.40	\$6.40	\$6.40	\$6.40
15	\$4.84	\$6.58	\$6.58	\$6.58	\$6.58
16	\$4.94	\$6.75	\$6.75	\$6.75	\$6.75
17	\$5.05	\$6.92	\$6.92	\$6.92	\$6.92
18	\$5.14	\$7.08	\$7.08	\$7.08	\$7.08
19	\$5.23	\$7.23	\$7.23	\$7.23	\$7.23
20	\$5.32	\$7.37	\$7.37	\$7.37	\$7.37
21	\$5.41	\$7.51	\$7.51	\$7.51	\$7.51
22	\$5.49	\$7.64	\$7.64	\$7.64	\$7.64
23	\$5.57	\$7.77	\$7.77	\$7.77	\$7.77
24	\$5.65	\$7.90	\$7.90	\$7.90	\$7.90
25	\$5.73	\$8.02	\$8.02	\$8.02	\$8.02
26	\$5.80	\$8.13	\$8.13	\$8.13	\$8.13
27	\$5.87	\$8.24	\$8.24	\$8.24	\$8.24
28	\$5.94	\$8.35	\$8.35	\$8.35	\$8.35
29	\$6.01	\$8.45	\$8.45	\$8.45	\$8.45
30	\$6.07	\$8.55	\$8.55	\$8.55	\$8.55
31	\$6.14	\$8.65	\$8.65	\$8.65	\$8.65
32	\$6.20	\$8.74	\$8.74	\$8.74	\$8.74
33	\$6.26	\$8.84	\$8.84	\$8.84	\$8.84
34	\$6.32	\$8.92	\$8.92	\$8.92	\$8.92
35	\$6.38	\$9.01	\$9.01	\$9.01	\$9.01
36	\$6.44	\$9.10	\$9.10	\$9.10	\$9.10
37	\$6.49	\$9.18	\$9.18	\$9.18	\$9.18
38	\$6.54	\$9.26	\$9.26	\$9.26	\$9.26
39	\$6.60	\$9.33	\$9.33	\$9.33	\$9.33
40	\$6.65	\$9.41	\$9.41	\$9.41	\$9.41
41	\$6.70	\$9.48	\$9.48	\$9.48	\$9.48
42	\$6.75	\$9.55	\$9.55	\$9.55	\$9.55
43	\$6.80	\$9.62	\$9.62	\$9.62	\$9.62
44	\$6.85	\$9.69	\$9.69	\$9.69	\$9.69
45	\$6.90	\$9.76	\$9.76	\$9.76	\$9.76
46	\$6.94	\$9.82	\$9.82	\$9.82	\$9.82
47	\$6.99	\$9.89	\$9.89	\$9.89	\$9.89
48	\$7.03	\$9.95	\$9.95	\$9.95	\$9.95
49	\$7.08	\$10.01	\$10.01	\$10.01	\$10.01
50	\$7.12	\$10.07	\$10.07	\$10.07	\$10.07
51	\$7.16	\$10.13	\$10.13	\$10.13	\$10.13
52	\$7.21	\$10.19	\$10.19	\$10.19	\$10.19
53	\$7.25	\$10.24	\$10.24	\$10.24	\$10.24
54	\$7.29	\$10.30	\$10.30	\$10.30	\$10.30
55	\$7.33	\$10.35	\$10.35	\$10.35	\$10.35
56	\$7.37	\$10.41	\$10.41	\$10.41	\$10.41
57	\$7.41	\$10.46	\$10.46	\$10.46	\$10.46
58	\$7.45	\$10.51	\$10.51	\$10.51	\$10.51
59	\$7.49	\$10.56	\$10.56	\$10.56	\$10.56
60	\$7.53	\$10.61	\$10.61	\$10.61	\$10.61
61	\$7.56	\$10.66	\$10.66	\$10.66	\$10.66
62	\$7.60	\$10.71	\$10.71	\$10.71	\$10.71
63	\$7.64	\$10.75	\$10.75	\$10.75	\$10.75
64	\$7.67	\$10.80	\$10.80	\$10.80	\$10.80
65	\$7.71	\$10.84	\$10.84	\$10.84	\$10.84
66	\$7.74	\$10.89	\$10.89	\$10.89	\$10.89
67	\$7.78	\$10.93	\$10.93	\$10.93	\$10.93
68	\$7.81	\$10.98	\$10.98	\$10.98	\$10.98
69	\$7.85	\$11.02	\$11.02	\$11.02	\$11.02
70	\$7.88	\$11.06	\$11.06	\$11.06	\$11.06
Oversized	\$22.28	\$32.96	\$32.96	\$32.96	\$32.96

Rate for each cell calculated by subtracting line 12 of USPS-T-37, WP I.I., page 1 from line 28 of WP I.I., page 2 to get the per-piece portion of the rates. The markup factor from line 8 of WP I.I., page 2 was applied to the sum of the appropriate transportation cost from WP I.I., pages 3 & 4 and the product of the 2-cent per-pound nontransportation weight-related handling charge multiplied by the appropriate postage weight, and the contingency was added. The result was added to the per-piece portion, and the rate was rounded to the nearest whole cent.

ATTACHMENT I
RATE DESIGNMACHINABLE INTER-BMC PARCEL POST
Preliminary Rates

Weight (Pounds)	Zones 1 & 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8
2	\$3.76	\$3.95	\$4.24	\$4.79	\$5.36	\$5.88	\$6.98
3	\$4.26	\$4.56	\$5.00	\$5.82	\$6.68	\$7.48	\$9.14
4	\$4.73	\$5.12	\$5.70	\$6.79	\$7.91	\$8.96	\$11.14
5	\$5.17	\$5.65	\$6.36	\$7.68	\$8.96	\$10.34	\$13.01
6	\$5.58	\$6.14	\$6.97	\$8.52	\$10.13	\$11.63	\$14.75
7	\$5.97	\$6.60	\$7.54	\$9.30	\$11.13	\$12.84	\$16.37
8	\$6.33	\$7.03	\$8.08	\$10.04	\$12.07	\$13.97	\$17.90
9	\$6.68	\$7.44	\$8.59	\$10.73	\$12.96	\$15.04	\$19.34
10	\$7.00	\$7.83	\$9.08	\$11.39	\$13.80	\$16.05	\$20.71
11	\$7.31	\$8.20	\$9.54	\$12.02	\$14.60	\$17.01	\$22.00
12	\$7.61	\$8.55	\$9.97	\$12.61	\$15.36	\$17.92	\$23.23
13	\$7.89	\$8.89	\$10.39	\$13.18	\$16.08	\$18.79	\$24.40
14	\$8.16	\$9.21	\$10.79	\$13.72	\$16.77	\$19.62	\$25.52
15	\$8.42	\$9.52	\$11.17	\$14.24	\$17.43	\$20.42	\$26.59
16	\$8.67	\$9.82	\$11.54	\$14.74	\$18.07	\$21.18	\$27.62
17	\$8.92	\$10.11	\$11.89	\$15.22	\$18.68	\$21.91	\$28.60
18	\$9.15	\$10.38	\$12.23	\$15.68	\$19.26	\$22.61	\$29.55
19	\$9.37	\$10.65	\$12.56	\$16.12	\$19.83	\$23.29	\$30.46
20	\$9.59	\$10.90	\$12.88	\$16.55	\$20.37	\$23.94	\$31.33
21	\$9.80	\$11.15	\$13.18	\$16.97	\$20.90	\$24.57	\$32.18
22	\$10.00	\$11.39	\$13.48	\$17.37	\$21.41	\$25.18	\$33.00
23	\$10.20	\$11.63	\$13.77	\$17.75	\$21.90	\$25.77	\$33.79
24	\$10.39	\$11.85	\$14.05	\$18.13	\$22.37	\$26.34	\$34.55
25	\$10.58	\$12.07	\$14.31	\$18.49	\$22.83	\$26.89	\$35.29
26	\$10.76	\$12.28	\$14.58	\$18.84	\$23.28	\$27.42	\$36.01
27	\$10.93	\$12.49	\$14.83	\$19.18	\$23.71	\$27.94	\$36.70
28	\$11.10	\$12.69	\$15.08	\$19.52	\$24.13	\$28.44	\$37.37
29	\$11.27	\$12.89	\$15.32	\$19.84	\$24.54	\$28.93	\$38.03
30	\$11.43	\$13.08	\$15.55	\$20.15	\$24.94	\$29.41	\$38.66
31	\$11.59	\$13.27	\$15.78	\$20.48	\$25.32	\$29.87	\$39.28
32	\$11.75	\$13.45	\$16.00	\$20.78	\$25.70	\$30.32	\$39.88
33	\$11.90	\$13.62	\$16.22	\$21.05	\$26.07	\$30.76	\$40.47
34	\$12.04	\$13.80	\$16.43	\$21.33	\$26.42	\$31.18	\$41.04
35	\$12.19	\$13.97	\$16.64	\$21.60	\$26.77	\$31.60	\$41.59
36	\$12.33	\$14.13	\$16.84	\$21.87	\$27.11	\$32.00	\$42.13
37	\$12.47	\$14.29	\$17.04	\$22.14	\$27.44	\$32.40	\$42.66
38	\$12.60	\$14.45	\$17.23	\$22.39	\$27.76	\$32.78	\$43.18
39	\$12.73	\$14.61	\$17.42	\$22.64	\$28.08	\$33.16	\$43.68
40	\$12.86	\$14.76	\$17.60	\$22.89	\$28.39	\$33.53	\$44.17
41	\$12.99	\$14.91	\$17.78	\$23.13	\$28.69	\$33.89	\$44.65
42	\$13.12	\$15.05	\$17.96	\$23.36	\$28.99	\$34.24	\$45.12
43	\$13.24	\$15.19	\$18.13	\$23.59	\$29.28	\$34.58	\$45.58
44	\$13.36	\$15.33	\$18.30	\$23.82	\$29.56	\$34.92	\$46.02
45	\$13.48	\$15.47	\$18.47	\$24.04	\$29.83	\$35.25	\$46.46
46	\$13.59	\$15.61	\$18.63	\$24.26	\$30.11	\$35.57	\$46.89
47	\$13.71	\$15.74	\$18.79	\$24.47	\$30.37	\$35.89	\$47.31
48	\$13.82	\$15.87	\$18.95	\$24.68	\$30.63	\$36.20	\$47.72
49	\$13.93	\$16.00	\$19.10	\$24.88	\$30.89	\$36.50	\$48.12
50	\$14.04	\$16.12	\$19.25	\$25.08	\$31.14	\$36.80	\$48.52
51	\$14.14	\$16.24	\$19.40	\$25.27	\$31.38	\$37.09	\$48.90
52	\$14.25	\$16.37	\$19.55	\$25.47	\$31.62	\$37.37	\$49.28
53	\$14.35	\$16.48	\$19.69	\$25.65	\$31.86	\$37.65	\$49.65
54	\$14.45	\$16.60	\$19.83	\$25.84	\$32.09	\$37.93	\$50.02
55	\$14.55	\$16.72	\$19.97	\$26.02	\$32.32	\$38.20	\$50.37
56	\$14.65	\$16.83	\$20.11	\$26.20	\$32.54	\$38.46	\$50.72
57	\$14.74	\$16.94	\$20.24	\$26.38	\$32.76	\$38.72	\$51.07
58	\$14.84	\$17.05	\$20.37	\$26.55	\$32.97	\$38.97	\$51.40
59	\$14.93	\$17.16	\$20.50	\$26.72	\$33.18	\$39.23	\$51.74
60	\$15.03	\$17.27	\$20.63	\$26.89	\$33.39	\$39.47	\$52.06
61	\$15.12	\$17.37	\$20.75	\$27.05	\$33.60	\$39.71	\$52.38
62	\$15.21	\$17.47	\$20.88	\$27.21	\$33.80	\$39.95	\$52.69
63	\$15.30	\$17.58	\$21.00	\$27.37	\$33.99	\$40.18	\$53.00
64	\$15.38	\$17.68	\$21.12	\$27.53	\$34.19	\$40.41	\$53.31
65	\$15.47	\$17.78	\$21.24	\$27.68	\$34.38	\$40.64	\$53.60
66	\$15.55	\$17.87	\$21.36	\$27.83	\$34.57	\$40.86	\$53.90
67	\$15.64	\$17.97	\$21.47	\$27.98	\$34.75	\$41.08	\$54.18
68	\$15.72	\$18.06	\$21.58	\$28.13	\$34.94	\$41.30	\$54.47
69	\$15.80	\$18.16	\$21.69	\$28.27	\$35.12	\$41.51	\$54.75
70	\$15.88	\$18.25	\$21.81	\$28.42	\$35.29	\$41.72	\$55.02
Oversized	\$44.13	\$50.05	\$58.95	\$75.49	\$92.66	\$108.77	\$142.06

Rate for each cell calculated by applying the markup factor from line 8 of USPS-T-37, WP I.I., page 2 to the sum of the appropriate transportation cost from WP I.E., pages 5 & 6 and the product of the 2-cent per-pound nontransportation weight-related handling charge multiplied by the appropriate postage weight, and the contingency, was added. The result was added to the per-piece portion from line 28 of WP I.I., page 2, and the rate was rounded to the nearest whole cent.

ATTACHMENT I
RATE DESIGNUSPS-T-36
Page 3 of 6DESTINATION ENTRY PARCEL POST
Preliminary Rates

Weight (Pounds)	DDU	DSCF	Zones 1 & 2	Zone 3	Zone 4	Zone 5
2	\$1.09	\$1.54	\$2.11	\$2.40	\$2.58	\$3.64
3	\$1.12	\$1.66	\$2.31	\$2.75	\$3.03	\$4.64
4	\$1.16	\$1.77	\$2.49	\$3.07	\$3.44	\$5.58
5	\$1.20	\$1.87	\$2.67	\$3.38	\$3.84	\$6.46
6	\$1.24	\$1.97	\$2.84	\$3.68	\$4.21	\$7.30
7	\$1.27	\$2.06	\$3.00	\$3.95	\$4.56	\$8.09
8	\$1.31	\$2.15	\$3.15	\$4.22	\$4.90	\$8.84
9	\$1.34	\$2.24	\$3.29	\$4.47	\$5.22	\$9.55
10	\$1.37	\$2.32	\$3.43	\$4.71	\$5.52	\$10.23
11	\$1.41	\$2.40	\$3.57	\$4.94	\$5.82	\$10.88
12	\$1.44	\$2.48	\$3.70	\$5.17	\$6.10	\$11.51
13	\$1.47	\$2.55	\$3.82	\$5.38	\$6.37	\$12.11
14	\$1.50	\$2.62	\$3.94	\$5.59	\$6.63	\$12.69
15	\$1.53	\$2.69	\$4.06	\$5.79	\$6.89	\$13.25
16	\$1.56	\$2.76	\$4.18	\$5.96	\$7.13	\$13.78
17	\$1.59	\$2.83	\$4.29	\$6.17	\$7.37	\$14.30
18	\$1.62	\$2.89	\$4.40	\$6.36	\$7.60	\$14.81
19	\$1.65	\$2.96	\$4.50	\$6.53	\$7.82	\$15.29
20	\$1.68	\$3.02	\$4.61	\$6.71	\$8.04	\$15.77
21	\$1.71	\$3.08	\$4.71	\$6.87	\$8.25	\$16.22
22	\$1.74	\$3.14	\$4.81	\$7.04	\$8.45	\$16.67
23	\$1.77	\$3.19	\$4.90	\$7.20	\$8.65	\$17.10
24	\$1.80	\$3.25	\$5.00	\$7.35	\$8.85	\$17.52
25	\$1.83	\$3.31	\$5.09	\$7.50	\$9.04	\$17.93
26	\$1.86	\$3.36	\$5.18	\$7.65	\$9.22	\$18.33
27	\$1.89	\$3.41	\$5.27	\$7.80	\$9.41	\$18.72
28	\$1.91	\$3.47	\$5.35	\$7.94	\$9.58	\$19.10
29	\$1.94	\$3.52	\$5.44	\$8.08	\$9.76	\$19.47
30	\$1.97	\$3.57	\$5.52	\$8.22	\$9.92	\$19.84
31	\$2.00	\$3.62	\$5.61	\$8.35	\$10.09	\$20.19
32	\$2.02	\$3.67	\$5.69	\$8.48	\$10.25	\$20.54
33	\$2.05	\$3.72	\$5.77	\$8.61	\$10.41	\$20.87
34	\$2.08	\$3.77	\$5.85	\$8.73	\$10.57	\$21.20
35	\$2.11	\$3.82	\$5.92	\$8.86	\$10.72	\$21.53
36	\$2.13	\$3.86	\$6.00	\$8.98	\$10.87	\$21.85
37	\$2.16	\$3.91	\$6.07	\$9.10	\$11.02	\$22.16
38	\$2.19	\$3.95	\$6.15	\$9.22	\$11.16	\$22.46
39	\$2.21	\$4.00	\$6.22	\$9.33	\$11.31	\$22.76
40	\$2.24	\$4.04	\$6.29	\$9.45	\$11.45	\$23.05
41	\$2.27	\$4.09	\$6.36	\$9.56	\$11.58	\$23.34
42	\$2.29	\$4.13	\$6.43	\$9.67	\$11.72	\$23.62
43	\$2.32	\$4.18	\$6.50	\$9.78	\$11.85	\$23.90
44	\$2.35	\$4.22	\$6.57	\$9.88	\$11.98	\$24.17
45	\$2.37	\$4.26	\$6.64	\$9.99	\$12.11	\$24.44
46	\$2.40	\$4.30	\$6.70	\$10.09	\$12.24	\$24.70
47	\$2.43	\$4.35	\$6.77	\$10.19	\$12.36	\$24.96
48	\$2.45	\$4.39	\$6.83	\$10.29	\$12.49	\$25.22
49	\$2.48	\$4.43	\$6.90	\$10.39	\$12.61	\$25.47
50	\$2.51	\$4.47	\$6.96	\$10.49	\$12.73	\$25.71
51	\$2.53	\$4.51	\$7.02	\$10.59	\$12.85	\$25.95
52	\$2.56	\$4.55	\$7.09	\$10.68	\$12.96	\$26.19
53	\$2.58	\$4.59	\$7.15	\$10.78	\$13.08	\$26.43
54	\$2.61	\$4.63	\$7.21	\$10.87	\$13.19	\$26.66
55	\$2.64	\$4.67	\$7.27	\$10.96	\$13.30	\$26.88
56	\$2.66	\$4.71	\$7.33	\$11.05	\$13.41	\$27.11
57	\$2.69	\$4.75	\$7.39	\$11.14	\$13.52	\$27.33
58	\$2.71	\$4.78	\$7.45	\$11.23	\$13.63	\$27.55
59	\$2.74	\$4.82	\$7.50	\$11.32	\$13.73	\$27.76
60	\$2.77	\$4.86	\$7.56	\$11.40	\$13.84	\$27.97
61	\$2.79	\$4.90	\$7.62	\$11.49	\$13.94	\$28.18
62	\$2.82	\$4.93	\$7.68	\$11.57	\$14.04	\$28.38
63	\$2.84	\$4.97	\$7.73	\$11.65	\$14.15	\$28.59
64	\$2.87	\$5.01	\$7.79	\$11.74	\$14.24	\$28.79
65	\$2.89	\$5.05	\$7.84	\$11.82	\$14.34	\$28.98
66	\$2.92	\$5.08	\$7.90	\$11.90	\$14.44	\$29.18
67	\$2.94	\$5.12	\$7.95	\$11.98	\$14.54	\$29.37
68	\$2.97	\$5.15	\$8.00	\$12.06	\$14.63	\$29.56
69	\$3.00	\$5.19	\$8.06	\$12.14	\$14.73	\$29.75
70	\$3.02	\$5.22	\$8.11	\$12.21	\$14.82	\$29.93
Oversized	\$5.59	\$12.14	\$19.95	\$27.71	\$32.63	\$61.20

Rate for each cell calculated by subtracting lines 8 and 12 of USPS-T-37, WP I.I., page 1 from line 28 of WP I.I., page 2 to get the per-piece portion of the rates. The markup factor from line 6 of WP I.I., page 2 was applied to the sum of the appropriate transportation cost from WP I.I., pages 7 & 8 and the product of the 2-cent per-pound nontransportation weight-related handling charge multiplied by the appropriate postage weight, and the contingency was added. The result was added to the per-piece portion, and then the rate was rounded to the nearest whole cent.

ATTACHMENT I
RATE DESIGNUSPS-T-36
Page 4 of 6INTRA-SMC PARCEL POST
Constrained Rates

Weight (Pounds)	Local	Zones 1 & 2	Zone 3	Zone 4	Zone 5
2	\$2.82	\$3.08	\$3.08	\$3.08	\$3.08
3	\$3.04	\$3.49	\$3.49	\$3.49	\$3.49
4	\$3.25	\$3.65	\$3.65	\$3.85	\$4.10
5	\$3.44	\$3.80	\$4.19	\$4.19	\$4.58
6	\$3.61	\$3.94	\$4.50	\$4.50	\$5.03
7	\$3.69	\$4.06	\$4.79	\$4.79	\$5.45
8	\$3.77	\$4.20	\$5.05	\$5.07	\$5.84
9	\$3.85	\$4.30	\$5.25	\$5.32	\$6.21
10	\$3.94	\$4.43	\$5.51	\$5.56	\$6.55
11	\$4.00	\$4.53	\$5.70	\$5.79	\$6.87
12	\$4.08	\$4.65	\$5.86	\$6.00	\$7.19
13	\$4.16	\$4.75	\$6.01	\$6.20	\$7.46
14	\$4.22	\$4.85	\$6.11	\$6.40	\$7.74
15	\$4.29	\$4.94	\$6.25	\$6.58	\$8.00
16	\$4.37	\$5.02	\$6.39	\$6.75	\$8.25
17	\$4.42	\$5.12	\$6.52	\$6.92	\$8.47
18	\$4.48	\$5.19	\$6.66	\$7.08	\$8.71
19	\$4.53	\$5.29	\$6.78	\$7.23	\$8.92
20	\$4.61	\$5.37	\$6.90	\$7.37	\$9.12
21	\$4.65	\$5.43	\$7.02	\$7.51	\$9.32
22	\$4.71	\$5.52	\$7.12	\$7.64	\$9.50
23	\$4.76	\$5.59	\$7.25	\$7.77	\$9.69
24	\$4.82	\$5.65	\$7.35	\$7.90	\$9.86
25	\$4.87	\$5.72	\$7.45	\$8.02	\$10.03
26	\$4.92	\$5.80	\$7.55	\$8.13	\$10.19
27	\$4.97	\$5.86	\$7.66	\$8.24	\$10.34
28	\$5.02	\$5.92	\$7.76	\$8.35	\$10.48
29	\$5.08	\$6.00	\$7.85	\$8.45	\$10.63
30	\$5.14	\$6.05	\$7.94	\$8.55	\$10.78
31	\$5.18	\$6.12	\$8.01	\$8.65	\$10.91
32	\$5.23	\$6.18	\$8.11	\$8.74	\$11.04
33	\$5.28	\$6.24	\$8.20	\$8.84	\$11.18
34	\$5.32	\$6.29	\$8.26	\$8.92	\$11.29
35	\$5.37	\$6.35	\$8.35	\$9.01	\$11.40
36	\$5.40	\$6.40	\$8.43	\$9.10	\$11.53
37	\$5.45	\$6.47	\$8.49	\$9.18	\$11.64
38	\$5.49	\$6.52	\$8.58	\$9.26	\$11.75
39	\$5.54	\$6.58	\$8.66	\$9.33	\$11.85
40	\$5.59	\$6.62	\$8.72	\$9.41	\$11.96
41	\$5.63	\$6.69	\$8.81	\$9.48	\$12.06
42	\$5.68	\$6.73	\$8.87	\$9.55	\$12.15
43	\$5.72	\$6.78	\$8.94	\$9.62	\$12.26
44	\$5.78	\$6.83	\$9.00	\$9.69	\$12.34
45	\$5.81	\$6.88	\$9.06	\$9.76	\$12.43
46	\$5.85	\$6.94	\$9.14	\$9.82	\$12.51
47	\$5.90	\$7.00	\$9.20	\$9.89	\$12.60
48	\$5.94	\$7.04	\$9.26	\$9.95	\$12.70
49	\$5.97	\$7.08	\$9.33	\$10.01	\$12.77
50	\$6.02	\$7.12	\$9.38	\$10.07	\$12.86
51	\$6.06	\$7.18	\$9.44	\$10.13	\$12.93
52	\$6.09	\$7.23	\$9.52	\$10.19	\$13.01
53	\$6.14	\$7.26	\$9.57	\$10.24	\$13.08
54	\$6.18	\$7.30	\$9.63	\$10.30	\$13.16
55	\$6.23	\$7.35	\$9.67	\$10.35	\$13.23
56	\$6.26	\$7.40	\$9.74	\$10.41	\$13.29
57	\$6.29	\$7.45	\$9.80	\$10.46	\$13.37
58	\$6.34	\$7.49	\$9.83	\$10.51	\$13.43
59	\$6.38	\$7.54	\$9.90	\$10.56	\$13.49
60	\$6.40	\$7.58	\$9.96	\$10.61	\$13.56
61	\$6.47	\$7.63	\$10.01	\$10.66	\$13.63
62	\$6.49	\$7.68	\$10.05	\$10.71	\$13.68
63	\$6.53	\$7.71	\$10.11	\$10.75	\$13.74
64	\$6.57	\$7.76	\$10.15	\$10.80	\$13.81
65	\$6.61	\$7.80	\$10.21	\$10.84	\$13.86
66	\$6.63	\$7.85	\$10.26	\$10.89	\$13.93
67	\$6.69	\$7.90	\$10.31	\$10.93	\$13.98
68	\$6.72	\$7.92	\$10.35	\$10.98	\$14.03
69	\$6.77	\$7.96	\$10.40	\$11.02	\$14.09
70	\$6.80	\$8.01	\$10.47	\$11.06	\$14.14
Over-sized	\$19.82	\$28.99	\$28.99	\$28.99	\$28.99

Preliminary rates from USPS-T-37, WP I.C., pages 1 & 2, constrained such that no rate went up more than 30 percent relative to existing rates shown at WP I.C., pages 1 & 2, and no rate exceeded the comparable Priority Mail rate shown at WP I.C., pages 1 & 2, less 5 cents. In addition, rates for local and Zones 1&2 were constrained such that they could not go down more than 15 percent relative to existing rates, and rates in Zones 3 through 5 were constrained to not drop below existing rates.

ATTACHMENT I
RATE DESIGN

USPS-T-36
Page 5 of 8

MACHINABLE INTER-BMC PARCEL POST
Constrained Rates

Weight (Pounds)	Zones 1 & 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8
2	\$3.47	\$3.47	\$3.47	\$3.47	\$3.47	\$3.47	\$3.47
3	\$3.95	\$4.29	\$4.68	\$4.68	\$4.68	\$4.68	\$4.68
4	\$4.10	\$4.58	\$5.40	\$5.89	\$5.89	\$5.89	\$5.89
5	\$4.25	\$4.83	\$5.86	\$7.10	\$7.10	\$7.10	\$7.10
6	\$4.39	\$5.08	\$6.28	\$7.81	\$8.14	\$8.36	\$8.97
7	\$4.52	\$5.30	\$6.68	\$8.49	\$9.19	\$9.63	\$10.84
8	\$4.66	\$5.51	\$7.02	\$9.09	\$10.23	\$10.89	\$12.71
9	\$4.76	\$5.71	\$7.38	\$9.64	\$11.28	\$12.16	\$14.58
10	\$4.90	\$5.90	\$7.89	\$10.15	\$12.01	\$13.42	\$16.45
11	\$4.99	\$6.08	\$8.00	\$10.63	\$12.62	\$14.63	\$17.71
12	\$5.10	\$6.25	\$8.28	\$11.07	\$13.17	\$15.73	\$19.09
13	\$5.20	\$6.39	\$8.55	\$11.48	\$13.68	\$16.69	\$20.52
14	\$5.30	\$6.57	\$8.81	\$11.88	\$14.18	\$17.31	\$21.89
15	\$5.39	\$6.71	\$9.06	\$12.24	\$14.64	\$17.91	\$23.27
16	\$5.48	\$6.85	\$9.30	\$12.60	\$15.07	\$18.45	\$24.04
17	\$5.58	\$6.97	\$9.53	\$12.91	\$15.49	\$18.98	\$24.74
18	\$5.65	\$7.11	\$9.74	\$13.22	\$15.86	\$19.48	\$25.41
19	\$5.75	\$7.24	\$9.94	\$13.52	\$16.24	\$19.93	\$26.04
20	\$5.82	\$7.35	\$10.12	\$13.79	\$16.58	\$20.37	\$26.63
21	\$5.90	\$7.48	\$10.31	\$14.07	\$16.92	\$20.79	\$27.19
22	\$5.97	\$7.58	\$10.49	\$14.32	\$17.23	\$21.19	\$27.73
23	\$6.05	\$7.71	\$10.68	\$14.55	\$17.52	\$21.56	\$28.24
24	\$6.11	\$7.81	\$10.84	\$14.80	\$17.81	\$21.93	\$28.73
25	\$6.18	\$7.91	\$11.01	\$15.00	\$18.08	\$22.26	\$29.19
26	\$6.25	\$8.01	\$11.17	\$15.22	\$18.35	\$22.59	\$29.62
27	\$6.33	\$8.11	\$11.31	\$15.42	\$18.59	\$22.90	\$30.05
28	\$6.38	\$8.21	\$11.47	\$15.62	\$18.83	\$23.20	\$30.45
29	\$6.45	\$8.31	\$11.62	\$15.80	\$19.06	\$23.49	\$30.84
30	\$6.51	\$8.39	\$11.74	\$15.97	\$19.27	\$23.76	\$31.20
31	\$6.58	\$8.47	\$11.88	\$16.14	\$19.49	\$24.04	\$31.55
32	\$6.63	\$8.57	\$12.01	\$16.30	\$19.69	\$24.29	\$31.89
33	\$6.69	\$8.66	\$12.14	\$16.47	\$19.88	\$24.53	\$32.21
34	\$6.75	\$8.72	\$12.25	\$16.62	\$20.06	\$24.76	\$32.52
35	\$6.81	\$8.81	\$12.39	\$16.76	\$20.24	\$24.98	\$32.81
36	\$6.86	\$8.88	\$12.52	\$16.91	\$20.42	\$25.19	\$33.10
37	\$6.92	\$8.95	\$12.62	\$17.05	\$20.58	\$25.41	\$33.37
38	\$6.97	\$9.04	\$12.74	\$17.17	\$20.74	\$25.60	\$33.64
39	\$7.04	\$9.11	\$12.84	\$17.29	\$20.89	\$25.78	\$33.89
40	\$7.08	\$9.19	\$12.95	\$17.42	\$21.04	\$25.98	\$34.12
41	\$7.15	\$9.26	\$13.05	\$17.55	\$21.19	\$26.16	\$34.36
42	\$7.19	\$9.33	\$13.15	\$17.66	\$21.32	\$26.32	\$34.60
43	\$7.24	\$9.39	\$13.26	\$17.77	\$21.46	\$26.49	\$34.80
44	\$7.29	\$9.45	\$13.34	\$17.86	\$21.58	\$26.64	\$35.02
45	\$7.34	\$9.53	\$13.44	\$17.97	\$21.71	\$26.80	\$35.22
46	\$7.39	\$9.59	\$13.53	\$18.08	\$21.84	\$26.95	\$35.41
47	\$7.45	\$9.66	\$13.62	\$18.17	\$21.96	\$27.09	\$35.61
48	\$7.49	\$9.72	\$13.72	\$18.27	\$22.06	\$27.23	\$35.78
49	\$7.54	\$9.78	\$13.81	\$18.36	\$22.18	\$27.37	\$35.95
50	\$7.58	\$9.83	\$13.87	\$18.45	\$22.29	\$27.50	\$36.12
51	\$7.63	\$9.90	\$13.97	\$18.54	\$22.39	\$27.62	\$36.28
52	\$7.68	\$9.97	\$14.05	\$18.62	\$22.48	\$27.74	\$36.43
53	\$7.72	\$10.02	\$14.11	\$18.70	\$22.58	\$27.86	\$36.60
54	\$7.77	\$10.09	\$14.20	\$18.79	\$22.68	\$27.98	\$36.74
55	\$7.81	\$10.12	\$14.29	\$18.85	\$22.76	\$28.08	\$36.88
56	\$7.87	\$10.20	\$14.36	\$18.94	\$22.86	\$28.19	\$37.03
57	\$7.91	\$10.25	\$14.43	\$19.01	\$22.95	\$28.30	\$37.15
58	\$7.95	\$10.30	\$14.50	\$19.09	\$23.02	\$28.40	\$37.28
59	\$8.00	\$10.35	\$14.58	\$19.15	\$23.11	\$28.49	\$37.40
60	\$8.04	\$10.41	\$14.66	\$19.22	\$23.18	\$28.59	\$37.53
61	\$8.10	\$10.47	\$14.72	\$19.28	\$23.27	\$28.69	\$37.70
62	\$8.14	\$10.52	\$14.78	\$19.35	\$23.33	\$28.77	\$37.85
63	\$8.16	\$10.57	\$14.86	\$19.40	\$23.41	\$28.85	\$38.01
64	\$8.21	\$10.62	\$14.93	\$19.46	\$23.47	\$28.93	\$38.15
65	\$8.25	\$10.67	\$14.98	\$19.53	\$23.55	\$29.02	\$38.29
66	\$8.31	\$10.73	\$15.05	\$19.58	\$23.61	\$29.10	\$38.42
67	\$8.35	\$10.77	\$15.11	\$19.65	\$23.68	\$29.17	\$38.57
68	\$8.38	\$10.81	\$15.19	\$19.70	\$23.74	\$29.25	\$38.71
69	\$8.43	\$10.86	\$15.25	\$19.75	\$23.80	\$29.33	\$38.82
70	\$8.47	\$10.92	\$15.31	\$19.81	\$23.86	\$29.39	\$38.96
Oversized	\$34.75	\$38.94	\$45.10	\$54.87	\$66.41	\$82.14	\$108.13

Preliminary rates from USPS-T-37, WP I.K., pages 3 & 4, constrained such that no rate went up more than 30 percent relative to existing rates shown at WP I.C., pages 3 & 4, and no rate exceeded the comparable Priority Mail rate shown at WP I.L., pages 1 & 2, less 5 cents. In addition, rates for Zones 1&2 were constrained such that they could not go down more than 15 percent relative to existing rates, and rates in Zones 3 through 8 were constrained to not drop below the existing rates.

ATTACHMENT I
RATE DESIGN

USPS-T-36
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DESTINATION BMC PARCEL POST
Constrained Rates

Weight (Pounds)	DDU	DSCF	Zones 1 & 2	Zone 3	Zone 4	Zone 5
2	\$1.21	\$1.67	\$2.22	\$2.40	\$2.58	\$2.59
3	\$1.26	\$1.78	\$2.39	\$2.85	\$3.03	\$3.12
4	\$1.32	\$1.91	\$2.57	\$3.15	\$3.43	\$4.26
5	\$1.37	\$2.02	\$2.73	\$3.43	\$3.76	\$4.75
6	\$1.41	\$2.12	\$2.84	\$3.68	\$4.05	\$5.22
7	\$1.45	\$2.21	\$3.00	\$3.95	\$4.32	\$5.64
8	\$1.50	\$2.30	\$3.15	\$4.22	\$4.57	\$6.05
9	\$1.55	\$2.40	\$3.29	\$4.47	\$4.82	\$6.43
10	\$1.59	\$2.48	\$3.43	\$4.71	\$5.05	\$6.79
11	\$1.63	\$2.56	\$3.57	\$4.94	\$5.26	\$7.12
12	\$1.67	\$2.64	\$3.70	\$5.17	\$5.48	\$7.44
13	\$1.72	\$2.72	\$3.82	\$5.32	\$5.67	\$7.73
14	\$1.74	\$2.78	\$3.94	\$5.49	\$5.86	\$8.01
15	\$1.78	\$2.84	\$4.06	\$5.62	\$6.04	\$8.28
16	\$1.82	\$2.92	\$4.18	\$5.75	\$6.21	\$8.54
17	\$1.85	\$2.98	\$4.29	\$5.86	\$6.38	\$8.78
18	\$1.90	\$3.04	\$4.40	\$5.98	\$6.53	\$9.02
19	\$1.92	\$3.10	\$4.50	\$6.09	\$6.69	\$9.23
20	\$1.96	\$3.16	\$4.61	\$6.21	\$6.85	\$9.44
21	\$1.99	\$3.22	\$4.71	\$6.32	\$6.99	\$9.66
22	\$2.02	\$3.27	\$4.81	\$6.42	\$7.13	\$9.85
23	\$2.06	\$3.32	\$4.90	\$6.53	\$7.27	\$10.04
24	\$2.08	\$3.38	\$5.00	\$6.63	\$7.39	\$10.22
25	\$2.12	\$3.43	\$5.08	\$6.71	\$7.52	\$10.39
26	\$2.15	\$3.47	\$5.14	\$6.81	\$7.64	\$10.56
27	\$2.19	\$3.53	\$5.22	\$6.89	\$7.75	\$10.71
28	\$2.21	\$3.57	\$5.28	\$6.99	\$7.87	\$10.88
29	\$2.25	\$3.63	\$5.36	\$7.10	\$7.99	\$11.03
30	\$2.27	\$3.67	\$5.41	\$7.16	\$8.09	\$11.18
31	\$2.31	\$3.72	\$5.49	\$7.24	\$8.20	\$11.32
32	\$2.33	\$3.76	\$5.54	\$7.33	\$8.31	\$11.46
33	\$2.36	\$3.81	\$5.61	\$7.40	\$8.41	\$11.59
34	\$2.40	\$3.86	\$5.67	\$7.47	\$8.50	\$11.71
35	\$2.43	\$3.90	\$5.73	\$7.55	\$8.61	\$11.84
36	\$2.46	\$3.94	\$5.79	\$7.61	\$8.70	\$11.97
37	\$2.47	\$3.91	\$5.83	\$7.68	\$8.79	\$12.09
38	\$2.51	\$3.95	\$5.90	\$7.77	\$8.88	\$12.19
39	\$2.54	\$4.00	\$5.95	\$7.82	\$8.97	\$12.30
40	\$2.57	\$4.04	\$6.00	\$7.89	\$9.05	\$12.42
41	\$2.60	\$4.09	\$6.06	\$7.97	\$9.15	\$12.52
42	\$2.62	\$4.13	\$6.10	\$8.04	\$9.22	\$12.61
43	\$2.65	\$4.18	\$6.17	\$8.09	\$9.31	\$12.73
44	\$2.67	\$4.22	\$6.21	\$8.14	\$9.40	\$12.82
45	\$2.70	\$4.26	\$6.25	\$8.22	\$9.46	\$12.92
46	\$2.74	\$4.30	\$6.32	\$8.28	\$9.55	\$13.00
47	\$2.77	\$4.35	\$6.38	\$8.34	\$9.61	\$13.10
48	\$2.79	\$4.39	\$6.40	\$8.39	\$9.70	\$13.20
49	\$2.82	\$4.43	\$6.46	\$8.46	\$9.76	\$13.27
50	\$2.84	\$4.47	\$6.50	\$8.51	\$9.84	\$13.37
51	\$2.87	\$4.51	\$6.54	\$8.56	\$9.90	\$13.45
52	\$2.90	\$4.55	\$6.60	\$8.64	\$9.98	\$13.52
53	\$2.92	\$4.59	\$6.63	\$8.69	\$10.04	\$13.61
54	\$2.94	\$4.63	\$6.67	\$8.74	\$10.11	\$13.68
55	\$2.98	\$4.67	\$6.73	\$8.78	\$10.17	\$13.76
56	\$3.01	\$4.71	\$6.77	\$8.85	\$10.25	\$13.82
57	\$3.03	\$4.75	\$6.80	\$8.90	\$10.30	\$13.91
58	\$3.07	\$4.78	\$6.86	\$8.94	\$10.36	\$13.98
59	\$3.07	\$4.82	\$6.89	\$9.00	\$10.43	\$14.05
60	\$3.10	\$4.86	\$6.93	\$9.06	\$10.49	\$14.12
61	\$3.13	\$4.90	\$6.98	\$9.09	\$10.55	\$14.19
62	\$3.16	\$4.93	\$7.02	\$9.14	\$10.61	\$14.25
63	\$3.18	\$4.97	\$7.05	\$9.20	\$10.67	\$14.31
64	\$3.21	\$5.01	\$7.10	\$9.23	\$10.72	\$14.37
65	\$3.24	\$5.05	\$7.14	\$9.30	\$10.78	\$14.44
66	\$3.27	\$5.08	\$7.18	\$9.35	\$10.84	\$14.50
67	\$3.29	\$5.12	\$7.21	\$9.40	\$10.90	\$14.56
68	\$3.31	\$5.15	\$7.25	\$9.44	\$10.95	\$14.62
69	\$3.34	\$5.19	\$7.29	\$9.46	\$11.01	\$14.68
70	\$3.38	\$5.22	\$7.33	\$9.54	\$11.06	\$14.73
Oversized	\$6.69	\$12.14	\$16.66	\$24.55	\$30.24	\$30.24

Preliminary rates from USPS-T-37, WP I.K., pages 5 & 6, constrained such that no rate went up more than 30 percent relative to existing rates shown at WP I.C., pages 7 & 8, and no rate exceeded the comparable Priority Mail rate shown at WP I.L., pages 1 & 2, less 5 cents. In addition, rates for Zones 1&2 were constrained such that they could not go down more than 15 percent relative to existing rates, and rates in Zones 3 through 5 were constrained to not drop below existing rates.

DBMC Oversized Rates also constrained not to exceed existing rates, or to decrease by no more than one percent.

ATTACHMENT J

PARCEL POST PICKUP REVENUE

USPS-T-36

Page 1 of 1

Parcel Post Pickup Stops and Revenues

FY 98

	On-Call	Scheduled	Total
Stops	46,518	915	47,433
Fee	\$ 4.95	\$ 4.95	\$ 4.95
Revenue	\$ 230,264	\$ 4,529	\$ 234,793
Inter/Intra Volume	103,250,331	103,250,331	103,250,331
#Stops/Pc(Thousands)	0.45	0.01	0.46

TYBR

Inter/Intra Volume	80,437,687	80,437,687	80,437,687
Stops/Thousand	0.45	0.01	0.46
Projected Stops	36,240	713	36,953
Fee	8.25	8.25	8.25
Projected Revenue	\$ 298,981	\$ 5,881	\$ 304,862

TYAR

Inter/Intra Volume	73,892,718	73,892,718	73,892,718
Stops/Thousand	0.45	0.01	0.46
Projected Stops	33,291	655	33,946
Fee	10.25	10.25	10.25
Projected Revenue	\$ 341,236	\$ 6,712	\$ 347,948

**ATTACHMENT K
PARCEL POST TEST YEAR REVENUE/COST SUMMARY**

USPS-T-36

		Before Rates	After Rates
	<u>Revenue Source</u>		
(1)	Intra-BMC Non-Alaska Bypass	\$93,880,416	93,593,938
(2)	Inter-BMC	276,826,827	281,052,935
(3)	DBMC	762,370,675	771,859,947
(4)	DSCF	\$4,451,357	4,516,931
(5)	DDU	36,954,506	37,226,667
(6)	Barcode Discount	-\$5,837,993	-\$5,848,803
(7)	BMC Presort Discount	-\$2,335,085	-\$2,252,907
(8)	OBMC Entry Discount	-\$3,526,287	-\$5,309,591
(9)	Oversized parcels	5,031,592	5,498,044
(10)	Balloon Charges	<u>\$5,887,832</u>	<u>6,666,778</u>
(11)	Subtotal	\$1,173,703,840	\$1,187,003,938
(12)	Pickup Fees	304,862	347,948
(13)	OMAS Revenue	10,552,746	10,672,326
(14)	Alaska Bypass Revenue	12,933,350	13,079,907
(15)	Revenue from Combination Enclo	304,862	347,948
(16)	Unadjusted Revenue	\$1,197,799,658	\$1,211,452,068
(17)	Adjustment to Pickup Revenue	\$0	\$0
(19)	<u>Adjusted Revenue</u>	\$1,197,799,658	\$1,211,452,068
	Adjusted Rev/Pc	\$ 3.165	\$ 3.238
	Costs Including Contingency	\$ 1,078,202,625	\$ 1,052,158,400
	Cost Coverage	111.09%	115.14%
	Cost Coverage Excluding Pickup I	111.1%	115.1%
	Incremental Costs	\$ 1,104,705,032	\$ 1,106,639,522
	Revenue/Incremental Costs + Cor	105.8%	106.8%